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ABSTRACT

The following bills, or amendments thereto, were included in presentations before the Subcommittee on Readjustment, Education, and Employment concerning educational benefits for Vietnam era veterans: (1) S 2161, to increase allowances for veterans; (2) S 740, to make improvements in vocational rehabilitation and educational programs; (3) S 1776, to provide equitable treatment of veterans enrolled in vocational education courses; (4) S 1918, to provide additional educational benefits to veterans who served in Indochina; (5) S 2063, for advance educational assistance payments to veterans accepted at a college; (6) S 2091, for additional readjustment assistance to veterans through employment counseling; (7) S 2163, for special assistance allowances; (8) S 2660, for equality of treatment for married female veterans; (9) S 2666, for special advisory and counseling assistance to veterans at institutions of higher education and to authorize a trial program to aid veterans with academic deficiencies to gain entrance to institutions of higher education; (10) S 2744, for better inservice education and training programs for members of the armed forces, for additional opportunities for veterans, and for better job training and placement for veterans; (11) S 3059, for increased rates for educational assistance and allowances and for advance payments to certain veterans; and (12) S 3146 and 3345, to increase vocational rehabilitation payments. (KM)

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EDUCATIONAL BENEFITS AVAILABLE FOR RETURNING VIETNAM ERA VETERANS

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COMMITTEE ON [illegible]
UNITED [illegible]

ED 076864

EDUCATIONAL BENEFITS AVAILABLE FOR RETURNING VIETNAM ERA VETERANS

HEARINGS

BEFORE THE

SUBCOMMITTEE ON
READJUSTMENT, EDUCATION, AND EMPLOYMENT

OF THE

COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES SENATE

NINETY-SECOND CONGRESS

SECOND SESSION

ON

S. 2161 and Related Bills

MARCH 23, 1972

PART 1

Printed for the use of the Committee on Veterans' Affairs

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EDUCATIONAL BENEFITS AVAILABLE FOR RETURNING VIETNAM ERA VETERANS

THURSDAY, MARCH 23, 1972

U.S. SENATE,
SUBCOMMITTEE ON READJUSTMENT,
EDUCATION, AND EMPLOYMENT
OF THE COMMITTEE ON VETERANS' AFFAIRS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 9:35 a.m., in room 414, Old Senate Office Building, Senator Vance Hartke (chairman) presiding.

Present: Chairman Vance Hartke and Senators Alan Cranston and Strom Thurmond.

Also present: Frank J. Brizzi, staff director, and Guy H. McMichael III, general counsel.

OPENING STATEMENT OF HON. VANCE HARTKE, CHAIRMAN OF THE COMMITTEE ON VETERANS' AFFAIRS

Chairman HARTKE. The committee will come to order.

This morning we begin hearings on educational benefits available for our returning Vietnam era veterans.

In the decade just past, the American people were drawn, imperceptibly, into a major war. Now we are faced with the immediate question of how we as a nation plan to treat the returning veterans of this conflict. The Committee on Veterans' Affairs has called this hearing to explore pragmatically the problems of GI educational benefits and then do what must be done. Veterans of this conflict are coming home at a rate of 89,000 per month. As with any other war, the U.S. Government has a strong obligation toward the future of those who served, and especially those who sacrificed years of learning. The challenge to Government was well stated by President Roosevelt in the midst of World War II. In his message to Congress, he said:

> Vocational and educational opportunities for veterans should be at the widest range * * * lack of money should not prevent any veteran of this war from equipping himself for useful employment for which his aptitudes and willingness qualify him. The money invested in this training and schooling program will reap rich dividends in higher productivity, more intelligent leadership and greater happiness * * * we have taught our youth how to wage war; we must also teach them how to have useful and happy lives in freedom, justice, and decency.

These words were spoken almost 30 years ago, but they are just as true today as they were then. What is different is the response of our Government. Following World War II almost 8 million veterans received their training for the future under the GI bill. They went to college, or to schools below the college level; they took on-the-job training and institutional on-the-farm training.

A man entering school after World War II was assured a subsistence allowance for his family plus up to $500 a year for tuition, books, fees and supplies. It certainly wasn't luxury; most of us lived with our small families in spare rooms, Quonset huts, or even tents. But we did get an education, at a total cost of $14.5 billion in what was one of the best investments the Government ever made. Over three times that amount has been returned to the Government in additional tax dollars.

Today's veteran is not so well off, however. Consider first of all, that a young man reenters civilian life when the unemployment rate for veterans has been for over a year and continues to be higher than for nonveterans. The competition is very stiff, with the job market saturated with degrees. Many young Americans stayed in college all the way to a doctorate just to avoid the draft; others received training that enabled them to begin to climb high on the corporate or industrial ladder while today's veterans were serving their country. Now, the veteran must put in more years of school or training after discharge just catching up.

And how does the Government sustain him? With $175 a month. That is supposed to cover both his tuition and his subsistence. If he is married, he receives $205; and if he has a child, $230. That just doesn't begin to provide for a family, and the tuition costs are rising rapidly.

The present GI bill, as General Westmoreland noted recently, is "inadequate to support a student veteran and his family." This is also borne out by current statistics. A recent survey conducted by the Harris poll found that returning veterans rated educational assistance as the most important benefit they can receive from the Veterans' Administration. Yet, over 59 percent of our recently returned Vietnam veterans have never applied for educational benefits. The survey further found that over 53 percent of those who have not applied would do so if the benefits were increased to a decent level. An additional 30 percent indicated they might apply.

It boils down to this: We have taken from these Americans important years of their lives. Are we also going to deprive them of education and training that would assure them of a better job, a better life? Are we going to make the Vietnam veteran the final casualty of this unpopular and expensive war? Is he less deserving than an older man who served in the South Pacific? The Vietnam veteran does not ask for favors—he does ask for an even break. I intend to see that he gets it.

First of all, the 8.6-percent increase in educational benefits proposed by the administration is clearly inadequate. It does not approach parity with the benefits that followed World War II, and that in my mind is the prerequisite for all the bills which we will consider in these hearings. Some of these measures I have sponsored or cosponsored; and although they are often diverse in their approach, many share a common theme: parity, the same level of benefits that were granted after the Second World War.

The bills do differ as to the method of increasing benefits. Some suggest direct tuition payments; others call for an increase in monthly allowances. Let me say at the onset that there are no forbidden areas of discussion for this committee. We will consider any approach, so long as we do not compromise the principle of parity or economize at the veteran's expense. This is hardly a radical premise. The Carnegie Commission on Higher Education, for instance, has formally recommended that: "Federal legislation should be amended to provide benefits fully comparable to those following World War II in relation to prevailing wage levels, tuition and fees, and the cost of living.

The Veterans' Administration's own National Task Force on Education and the Vietnam era veteran has also recognized that substantially larger increases are necessary. The task force, curiously enough, was convened subsequent to the administration's formal proposals to Congress.

As to the form of the program, I am aware that there were a number of violations and abuses in the post-World War II educational process. Corrupt operators and many for-profit-only schools took the veteran's money and taught him nothing. There was excess compensation to some schools, inadequate classroom instruction, and poor standards of approving and monitoring courses. It is true that we had our problems. There are those who say today that a comparable program would have incredibly complex administrative difficulties requiring vast amounts of money and personnel. Others contend that it would be unfair for one veteran to receive more assistance than another and that each veteran should receive the same level of assistance. Again I say, all of these problems can be talked out before this committee, and all areas are open to discussion. If, however, it appears that direct tuition payments are neither desirable or feasible, then we must take a hard look at the level of monthly assistance payments. My own bill, S. 2161, introduced last year is, I believe, a significant step in the right direction. But after further study, I am convinced that the rates proposed in the bill fall short of true parity with the World War II GI bill. Therefore, I am announcing my intention today of amending the rates set forth in that bill. I have taken the total dollar amount payable to the veteran of the Second World War, converted this to a monthly rate, and adjusted it to 1972 dollars.

This would mandate an increase of approximately 40 percent over the current Veterans' Administration rates and would achieve true equity with the old GI bill. Under my proposal, the present monthly allotment for a single veteran would be increased from $175 a month to at least $244 a month. The married man's rate would go up from $205 to $285. Finally, the addition of a child would boost the amount to $326, from the current $230. Further increases may be called for to take cognizance of continuing inflationary growth.

This is what I propose to the Congress, a long step toward equality of treatment. There will be critics who will ask, "Can we afford to do it?" To them, I answer back: Can we afford not to do it?

We have a number of bills and reports to be considered by the committee and without objection they will be inserted in the record at this point, together with information on veteran participation in the present program.

(The information to be furnished is as follows:)

92d CONGRESS
1st Session

S. 2161

IN THE SENATE OF THE UNITED STATES

June 28, 1971

Mr. Hartke (for himself, Mr. Thurmond, Mr. Cranston, Mr. Williams, Mr. Stevens, and Mr. Randolph) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

---

A BILL

To amend chapters 31, 34, and 35 of title 38, United States Code, to increase the vocational rehabilitation subsistences allowances, the educational assistance allowances, and the special training allowances paid to eligible veterans and persons under such chapters.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, **That this Act may be cited as the "Veterans' Education and Training Assistance Act of 1971".**

Sec. 2. The table (prescribing subsistence allowance rates for veterans pursuing a course of vocational rehabilita-

tion) contained in section 1504 (b) of title 38, United States Code, is amended to read as follows:

"Column I Type of training	Column II No dependents	Column III One dependent	Column IV Two or more dependents
Institutional:			
Full time	$142	$191	$222
Three-quarter time	102	140	165
Half time	71	96	108
Institutional on farm, apprentice, or other on-job training: Full time	124	161	191".

SEC. 3. (a) The table (prescribing educational assistance allowance rates for eligible veterans pursuing educational programs on half-time or more basis contained in section 1682 (a) (1) of title 38, United States Code) is amended to read as follows:

"Column I Type of program	Column II No dependents	Column III One dependent	Column IV Two dependents	Column V More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full time	$220	$265	$305	20
Three-quarter time	165	199	229	15
Half time	110	133	153	10
Cooperative	160	200	230	12".

(b) Section 1682 (b) of such title is amended by striking out "$175" and inserting in lieu thereof "$220".

(c) Section 1682 (c) (2) of such title is amended by striking out "$175" and inserting in lieu thereof "$220".

(d) The table (prescribing educational assistance allowance rates for eligible veterans pursuing a farm cooperative program) contained in section 1682 (d) (2) of such title is amended to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full time	$149	$174	$200	$11
Three-quarter time	107	126	146	7
Half time	71	83	97	4".

SEC. 4. The table (prescribing educational assistance allowance rates for eligible veterans pursuing an apprenticeship or other on-job training) contained in section 1683 (b) (1) of title 38, United States Code, is amended to read as follows:

"Periods of training	No dependents	One dependent	Two or more dependents
First 6 months	$114	$127	$140
Second 6 months	85	97	111
Third 6 months	57	70	83
Fourth and any succeeding 6-month periods	28	41	55".

SEC. 5. Section 1696 (b) (2) is amended by striking out "$175" and inserting in lieu thereof "$220".

SEC. 6. (a) Paragraph (1) of section 1732 (a) of title 38, United States Code, is amended to read as follows:

"(1) The educational assistance allowance on behalf of an eligible persons who is pursuing a program of education consisting of institutional courses shall be computed at the rate of (A) $220 per month if pursued on a full-time basis, (B) $165 per month if pursued on a three-quarter-time basis, and (C) $110 per month if pursued on a half-time basis."

(b) Paragraph (2) of such section is amended by striking out "$175" and inserting in lieu thereof "$220".

(c) Section 1732 (b) of such title is amended by striking out "$141" and inserting in lieu thereof "$169".

SEC. 7. Section 1742 (a) of title 38, United States Code, is amended by striking out "$175", "$55" and "$6.80" and inserting in lieu thereof "$220", "$69", and "$7.30", respectively.

SEC. 8. The amendments made by this Act shall become effective on the first day of the second calendar month following the month in which enacted.

[No. 73]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., December 8, 1971.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your request for the views of the Veterans' Administration on S. 2161, 92d Congress, a bill to amend chapters 31, 34, and 35 of title 38, United States Code, to increase the vocational rehabilitation subsistence allowance, the educational assistance allowances, and the special training allowances paid to eligible veterans and persons under such chapters.

The basic law which this proposal would amend—chapters 31, 34 and 35 of title 38, United States Code—established a program of educational and vocational readjustment assistance for eligible veterans who served in the Armed Forces after January 31, 1955. That law provides for payment of educational assistance allowances to meet, in part, the expenses of the veteran's subsistence, tuition, fees, supplies, books and equipment. Framed as it was, in the light of the so-called "Korean GI bill" (Public Law 550, 82d Congress), it is clear that the Readjustment Benefits Act of 1966 is based upon the same fundamental approach; that this method of payment achieves the desirable objective of giving the veteran a financial interest in his own rehabilitative training.

Section 2 of the bill would amend the table of rates in section 1504(b) of chapter 31 of title 38, United States Code, to provide a 5- to 6-percent increase in the subsistence allowance payable for the pursuit of a course of vocational rehabilitation, including institutional on-farm, apprenticeship, or other on-job training. It would provide for an increase from $135 per month to $142 per month in the rate payable for a full-time trainee with no dependents, and commensurate increases for trainees with other dependency and/or training status, i.e., less than full-time training and one or two dependents. The allowance for each dependent in excess of two would remain at $6 per month.

Section 3 would amend the educational assistance allowance rate table in section 1682(a)(1) of chapter 34 to increase, from $175 to $220 monthly, the rate of educational assistance allowance payable to veterans with no dependents attending a full-time institutional program, and to provide like increases ranging from 25.7 percent to as high as 35.8 percent for attendees of less than full-time training. The additional amounts payable for dependents in excess of two are increased in some cases, by as much as 50 percent. Similar increases are proposed for cooperative training.

The proposal also would raise to $220 the maximum dollar rate under section 1682(b) for computing the allowance payable to an individual attending school while on active duty (including—as prescribed in section 5—the rate for PREP trainees under section 1696(b)), or where attendance is on less than half-time basis. Likewise it would raise to $220 the standard for charging monthly entitlement where a correspondence course is pursued. These increases represent a rase from the prior rates of 25.7 percent.

The table of assistance allowances payable for farm cooperative training under section 1682(d)(2) also is amended to reflect an increase of 5.5 percent.

Section 4 of the proposal amends the table section 1683(b)(1) to reflect a similar 5.5 percent increase in the monthly allowance payable for apprenticeship or other on-job training assistance.

The proposed bill makes no change in the flight training rates, so that veterans taking such training would continue to be charged with one month of entitlement for each veterans taking $175 of educational assistance allowance paid.

Section 6 of the bill would effect increases in the educational assistance allowance under the War Orphans' and Widows' Educational Assistance Act, Chapter 35, by amending section 1732(a) to raise the assistance payable from $175 to $220 a month for full-time training; from $128 to $165 for three-fourths time; and from $81 to $110 for half-time training. Also, the maximum dollar standard established for computing the allowance payable for less than half-time training would be raised to a rate of $220. These changes reflect a range of increases from 19.9 percent to 35.8 percent. Similar increases are proposed for individuals pursuing a full-time program consisting of institutional courses together with alternate phases of training in business or industry under section 1732(b).

Section 7 amends the provision relating to special allowances for special restorative training under subchapter V of chapter 35 as set forth in section 1742(a). It would authorize computation of the special allowance at the basic rate of $220 per month instead of $175 as presently provided. It also raises from $55 to $69 the ceiling of charges for tuition and fees which serve as the standard for determining the basic monthly allowance payable and also increases from $6.80 to $7.30 the per day factor to determine entitlement used.

The rate increases provided by this proposal, in most instances, are far above the increases in the cost of living since the last structure change in February 1970 was enacted by Public Law 91-219. Veterans under the GI bill attending public schools received educational assistance for a school year of $1,385 under the World War II program as compared with $1,575 under the current program stated in constant dollars. The average costs of tuition are $238 and $343, respectively. Thus the remainder for other expenses would be $85 more for the Vietnam veterans as compared to those of World War II. It is realized that the cost of education in private schools has increased considerably since 1949, and thus the current Vietnam era veteran attending private school may not be in as good a position as the World War II veteran attending a similar private school. It should be noted, however, that the veterans attending an institution of higher learning, 79 percent are in public schools, while only 21 percent chose the more expensive private institutions which would require the veteran to spend his own funds.

The impressive growth in participation by Vietnam era veterans in GI bill training and education benefits suggests there is little need to revive the basic benefit structure as proposed by this bill. Since enactment in May 1966 the Vietnam era GI bill has provided education and training to 1.8 million Vietnam veterans, together with an additional 0.8 million veterans who left service after 1955. The participation rate has shot upward by any index. In the past 3 years, the participation rate of Vietnam era veterans, on a cumulative basis, has risen from 16 percent to 35.2 percent. There is evidence that men are entering training more quickly after discharge; the first year participation rate in this period has risen by 25 percent. The GI bill, moreover, has fitted the aspirations and talents not only of the college-bound individual but also of the man who wants technical training, who wants a job with built-in training opportunities, and the man who wants to finish high school and learn a trade. The enrollment of veterans in on-the-job training (OJT) has risen by 121 percent during fiscal years 1969–71, from 65,000 to 146,000.

What is needed now is to maintain this momentum of growth. This can best be done by preserving the basic structure of the post-Korean GI bill and by providing an increase in benefits to cover the rise in consumer prices since the last benefit adjustment in February 1970. The administration has designed an omnibus bill, now pending before your committee to meet this need. The omnibus bill provides for an 8.6 percent increase in GI bill allowances and other program adjustments to improve educational opportunities for veterans, war widows, and orphans.

The estimated number of trainees affected by enactment of S. 2161 and the increase in direct benefits cost for the first 5 years are:

Fiscal year	Individuals	Direct benefits cost (in millions)
1st	1,281,000	$425.6
2d	1,326,000	229.7
3d	1,283,000	412.6
4th	1,077,000	344.0
5th	1,037,000	331.5
5 year total		1,943.4

The estimates of direct benefits and administrative cost cited above are based upon the number of veterans already expected to be in training. If the higher benefits which would be made available by this proposal should induce additional veterans to enter training who otherwise would not have trained, the entire cost of training for such persons might be considered to be additional direct benefits cost attributable to this proposal. Such possible added cost is not susceptible of any meaningful estimate.

Cost estimates by chapter are set forth in "attachment A."

No cost estimate is made for servicemen, or for veterans pursuing correspondence training or training on less than a half-time basis since they are paid on the basis of actual costs of training. However, it is observed that there would be an additional overall cost occasioned by a slower rate of exhaustion of entitlement resulting from the proposed higher monthly cost factor authorized in charging entitlement under this proposal.

The increases proposed by this bill in the education allowances would represent a rate structure inconsistent with the congressionally recognized objective of the current veterans educational assistance programs to provide a partial, not a full, subsidy of educational assistance. Such structural changes are not needed and would undermine the Nation's efforts to control inflation.

In view thereof, the Veterans' Administration recommends against favorable consideration of S. 2161 by your committee.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

DONALD E. JOHNSON,
Administrator.

ATTACHMENT A

S. 2161—ESTIMATED INCREASE IN COST OF DIRECT BENEFITS FOR ALL VETERANS' ADMINISTRATION PROGRAMS

[Dollar amounts in millions]

Fiscal year	All chapters		Chapter 31		Chapter 34		Chapter 35	
	Individuals	Direct benefits cost	Individuals	Direct benefits cost	Individuals	Direct benefits cost	Individuals	Direct benefits cost
1st	1,281,000	$425.6	32,000	$2.4	1,190,000	$403.5	59,000	$19.7
2d	1,326,000	429.7	33,000	2.5	1,232,000	406.5	61,000	20.3
3d	1,283,000	412.6	34,000	2.6	1,186,000	389.2	63,000	20.8
4th	1,077,000	344.0	35,000	2.6	979,000	320.4	63,000	21.0
5th	1,037,000	331.5	36,000	2.7	939,000	308.2	62,000	20.6
Total		1,943.4		12.8		1,828.2		102.4

[No. 77]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., December 16, 1971

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request of July 2, 1971, for the views of this office on S. 2161, a bill "To amend chapters 31, 34, and 35, of title 38, United States Code, to increase the vocational rehabilitation subsistence allowances, the educational assistance allowances, and the special training allowances paid to eligible veterans and persons under such chapters."

In its report to your committee, the Veterans' Administration explained its reasons for recommending against enactment of S. 2161. The VA recommended instead that your committee adopt the provisions of a draft bill transmitted to the Senate on November 30 entitled the "Veterans Education and Training Amendments of 1971."

We concur in the views of the VA and, accordingly, recommend enactment of the VA proposal entitled "Veterans Education and Training Amendments of 1971," in lieu of S. 2161. Enactment of the proposed legislation would be consistent with the objectives of the administration.

Sincerely,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

92d CONGRESS
1st Session

S. 740

IN THE SENATE OF THE UNITED STATES

February 10 (legislative day, January 26), 1971

Mr. **Cranston** (for himself, Mr. **Eagleton**, Mr. **Hughes**, Mr. **Kennedy**, Mr. **Mondale**, Mr. **Nelson**, Mr. **Randolph**, Mr. **Saxbe**, Mr. **Schweiker**, and Mr. **Williams**) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

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A BILL

To amend chapters 31, 34, 35, and 36 of title 38, United States Code, in order to make improvements in the vocational rehabilitation and educational programs under such chapters; to authorize an advance initial payment and prepayment of the educational assistance allowance to eligible veterans and persons pursuing a program of education under chapters 34 and 35 of such title; to establish a work-study program and work-study additional educational assistance allowance for certain eligible veterans; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, **That this Act may be cited as the "Veterans' Advance Educational Payment and Work-Study Act of 1971".**

II

TITLE I—INCREASE IN THE AMOUNTS OF LOANS TO AND ELIGIBILITY FOR WORK-STUDY PROGRAM OF DISABLED VETERANS ENROLLED IN VOCATIONAL REHABILITATION

SEC. 101. Section 1502 of title 38, United States Code, is amended by adding at the end thereof a new subsection (d) as follows:

"(d) Veterans pursuing a program of vocational rehabilitation training under the provisions of this chapter shall also be eligible, where feasible, for participation in the work-study program provided by section 1687 of this title."

SEC. 102. Section 1507 of title 38, United States Code, is amended by striking out "$100" in the first sentence thereof and inserting in lieu thereof "$200".

TITLE II—ADVANCE PAYMENT OF EDUCATIONAL ASSISTANCE ALLOWANCE AND WORK-STUDY PROGRAM

SEC. 201. Subchapter II of chapter 36 of title 38, United State Code, is amended by inserting immediately before section 1781 the following new section:

"§ 1780. Payment of educational assistance allowances

"Period for Which Payment May Be Made

"(a) Payment of educational assistance allowances to eligible veterans or persons pursuing a program of education, other than correspondence or flight, in an educational institution under chapter 34 or 35 of this title shall be paid as provided in this section and, as applicable, in section 1682 or section 1732 of this title. Such payments shall be paid only for the period of such veterans' or persons' enrollment, but no amount shall be paid—

"(1) to any eligible veteran or person enrolled in a course which leads to a standard college degree for any period when such veteran or person is not pursuing his course in accordance with the regularly established policies and regulations of the educational institution and the requirements of this chapter or of chapter 34 or 35 of this title; or

"(2) to any eligible veteran or person enrolled in a course which does not lead to a standard college degree (excluding programs of apprenticeship and programs of other on-job training authorized by section 1683 of this title) for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law (or in the case of the Republic of the Philippines, Philippine law) during which the institution is not regularly in session.

"Advance Payment of Initial Educational Assistance Allowance

"(b) (1) The authorization of an educational assistance allowance advance payment provided in this subsection is based upon a finding by the Congress that eligible veterans and persons need additional funds at the beginning of a school term to meet the expenses of books, travel, deposits, and payments for living quarters, the initial installment of tuition, and the other special expenses which are concentrated at the beginning of a school term.

"(2) Subject to the provisions of this subsection, and under regulations which the Administrator shall prescribe, an eligible veteran or person shall be paid an educational assistance allowance advance payment. Such advance payment, except in unusual or extraordinary cases, shall be made within fifteen days after receipt of application therefor submitted by the eligible veteran or person pursuant to paragraph (3) of this subsection, but in no event earlier than thirty days prior to the date on which pursuit of his program of education is to commence and shall be made in an amount equivalent to the educational assistance allowance for the month or fraction thereof in which pursuit of the program will commence, plus the educational assistance allowance for the succeeding month. In no event shall an educational assistance allowance advance payment be made under this subsection to an eligible veteran or person intending to pursue a program of education on less than a half-time basis.

"(3) The application to the Administrator for advance payment shall include—

"(A) evidence showing (i) such veteran to be an 'eligible veteran' as defined in section 1652 (a) (1) of chapter 34 of this title, or (ii) such person to be an 'eligible person' as defined in section 1701 (a) (1) of chapter 35 of this title,

"(B) a certificate by the eligible veteran or person (i) stating that he is enrolled; or has applied for, been accepted by and intends to enroll, in a specified educational institution and is pursuing, or plans to pursue, a specified approved course of education during such school year at such educational institution, (ii) specifying the expected date of enrollment if he has not yet enrolled in an educational institution, and (iii) specifying the number of semester hours (or equivalent) or clock hours he is pursuing, or intends to pursue, and

"(C) in the case of an eligible veteran, information as to the number of persons he claims as dependents (as defined in section 1652 (d) of this title).

"(4) For purposes of the Administrator's determination whether any veteran or person is eligible for an advance payment under this section, the evidence and information submitted by such veteran or person pursuant to paragraph (3) of this subsection shall establish his eligibility unless there is evidence in his file in the processing office establishing that he is ineligible for such advance payment.

"Prepayment of Subsequent Educational Assistance Allowance

"(c) Except as provided in subsection (e) of this section, subsequent payments of educational assistance allowance to an eligible veteran or person shall be prepaid each month, subject to such reports and proof of enrollment in and satisfactory pursuit of such programs as the Administrator may require. The Administrator may withhold the final payment of a period of enrollment until such proof is received and the amount of the final payment appropriately adjusted. In the case of an eligible veteran who submitted an application showing one or more dependents, but who does not submit evidence, acceptable to the Administrator pursuant to regulations he shall prescribe, of such dependents, the amount of the educational assistance allowance shall reflect the assumed existence of such dependents during a reasonable period to allow the veteran to furnish such proof, but such period shall not extend beyond sixty days or the end of the enrollment period, whichever is the earlier.

"Recovery of Erroneous Payments

"(d) If an eligible veteran or person fails to enroll in a course for which an educational assistance allowance advance payment is made, the amount of such payment and any amount of subsequent payments which, in whole or in part, are due to erroneous information furnished in the certificate referred to in subsection (b) (3) (B) of this section, shall become an overpayment and shall constitute a liability of such veteran or person to the United States and may be recovered, unless waived pursuant to section 3102 of this title, from any benefit otherwise due him under any law administered by the Veterans' Administration or may be recovered in the same manner as any other debt due the United States.

"Payments for 'Less Than Half-Time' Training

"(e) Payment of the educational assistance allowance computed under section 1682 (b) (1) of this title for an individual pursuing a program of education while on active duty, or under section 1682 (b) (2) or 1732 (a) (2) of this title for an individual pursuing a program of education on a less than half-time basis may, and the educational assistance allowance computed under section 1696 (b) of this title shall, be made in an amount computed for the entire quarter, semester, or term during the month immediately following the month in which certification is received from the educational institution that such individual has enrolled in and is pursuing a program at such institution.

"Determination of Enrollment, Pursuit, and Attendance

"(f) The Administrator may, pursuant to regulations which he shall prescribe, determine enrollment in, pursuit of, and attendance at, any program of education or course by an eligible veteran or person for any period for which he receives an educational assistance allowance under this chapter for pursuing such program or course."

SEC. 202. Section 1681 of title 38, United States Code, is amended to read as follows:

"§ 1681. Educational assistance allowance

"General

"(a) The Administrator shall, in accordance with the applicable provisions of this section and section 1780 of this title, pay to each eligible veteran who is pursuing a program of education under this chapter an educational assistance allowance to meet, in part, the expenses of his subsistence, tuition, fees, supplies, books, equipment, and other educational costs.

"Institutional Training

"(b) The educational assistance allowance of an eligible veteran pursuing a program of education, other than correspondence or flight, at an educational institution shall be paid as provided in section 1780 of this title.

"Correspondence Training Certifications

"(c) No educational assistance allowance shall be paid to an eligible veteran enrolled in and pursuing a program of education exclusively by correspondence until the Administrator shall have received—

"(1) from the eligible veteran a certificate as to the number of lessons actually completed by the veteran and serviced by the educational institution; and

"(2) from the educational institution, a certification, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

"Apprenticeship and Other On-Job Training

"(d) No educational assistance allowance shall be paid to an eligible veteran enrolled in and pursuing a program of apprenticeship or other training on the job until the Administrator shall have received—

"(1) from the eligible veteran a certification as to his actual attendance during such period; and

"(2) from the educational institution, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a program of apprenticeship or other training on the job during such period.

"Flight Training

"(e) No educational assistance allowance for any month shall be paid to an eligible veteran who is pursuing a program of education consisting exclusively of flight training until the Administrator shall have received a certification from the eligible veteran and the institution as to actual flight training received by, and the cost thereof to, the veteran during that month."

SEC. 203. Subchapter IV of chapter 34 of title 38, United States Code, is amended by deleting section 1687 in its entirety and inserting in lieu thereof the following:

"WORK-STUDY PROGRAM

"§ 1687. Work-study additional educational assistance allowance; advances to eligible veterans

"(a) Notwithstanding any other provision of law, the Administrator shall pay a work-study additional educational assistance allowance (hereafter referred to as 'work-study allowance') to any veteran pursuing on a full-time basis a course of vocational rehabilitation under chapter 31 of this title, or a program of education under this chapter, who enters into an agreement with the Administrator to perform services under the work-study program established by this section. Such allowance shall be paid in advance in the amount of $250 in return for such veteran's agreement to perform services, aggregating one hundred hours during a semester or other applicable enrollment period, required in connection with (1) the preparation and processing of necessary papers and other documents at educational institutions or regional offices or facilities of the Veterans' Administration, (2) the outreach services program under subchapter IV of chapter 3 of this title, (3) the provision of hospital and domiciliary care and medical treatment under chapter 17 of this title, or (4) any other activity of the Veterans' Administration as the Administrator shall determine appropriate. Advances of lesser amounts may be made in return for agreements to perform services for periods of less than one hundred hours, the amount of such advance to be prorated on the basis of the amount of a full advance. The Administrator may enter into a work-study agreement with a veteran who has satisfactorily pursued his courses during at least one enrollment period for the performance of services during a period between enrollments if such veteran certifies his intention to continue the pursuit of the program during the next enrollment period.

"(b) If an eligible veteran, after having received in advance a work-study allowance under subsection (a) of this section, fails to fulfill his work obligation under the agreement for any reason, the amount due (based upon the pro rata portion of the work obligation which the veteran did not complete) as computed by the Administrator shall be considered an overpayment and shall become due and payable at the end of the enrollment period or at such time prior thereto when the Administrator determines that such obligation will not be completed prior to the end of the enrollment period. Any such amount due may be recovered from any benefit otherwise due the veteran under any law administered by the Veterans' Administration or shall, unless waived pursuant to section 3102 of this title, constitute a liability of such veteran to the United States and be recovered in the same manner as any other debt due the United States.

"(c) In order to carry out the purposes of this section and to determine the number of veterans whose services the Veterans' Administration can effectively utilize and the types of services required to be performed by such veterans, the Administrator shall, at least once each year, conduct a survey to determine the numbers of veteran-students whose services under the work-study program can effectively be utilized during an enrollment period in each geographic area where Veterans' Administration activities are conducted. Based upon the results of such survey, the Administrator shall allocate to each Veterans' Administration regional office the number of agreements under subsection (a) of this section which the head of that office shall attempt to make during such enrollment period or periods prior to the next such survey. Each regional office shall further allocate to each educational institution, at which eligible veterans are enrolled pursuant to this chapter, within its area the number of such potential agreements based upon the ratio of the number of veterans enrolled in such institution to the total number of veterans enrolled in all such institutions in the regional area, except that, to the maximum extent feasible, 20 per centum of the allocated number of agreements shall be reserved for special allocation to those institutions with a substantially higher proportion of needy veteran-students than generally prevails at other institutions within such area. If the total number of agreements allocated to any educational institution cannot be filled by such institution, the number of such unmade potential agreements shall be reallocated to such other educational institution or institutions in the regional office area as the Administrator shall determine in accordance with regulations he shall prescribe.

"(d) (1) The Administrator shall, to the maximum extent feasible, enter into agreements with educational institutions under which such institutions will recommend, within their number of allocated agreements, which particular veteran-students enrolled in such institutions should be offered work-study agreements under this section.

"(2) The determination of which eligible veteran-students shall be offered work-study agreements shall be made in accordance with regulations prescribed by the Administrator. Such regulations shall include, but not be limited to, the following criteria—

"(A) the need of the veteran to augment his educational assistance allowance;

"(B) the availability to the veteran of transportation to the place where his services are to be performed;

"(C) the motivation of the veteran;

"(D) in the case of veterans who are members of a minority group, the disadvantages incurred by members of such group, and

"(E) in the case of a disabled veteran pursuing a course of vocational rehabilitation under chapter 31 of this title, the compatibility of the work assignment to the veteran's physical condition.

"(e) No work-study agreement shall be entered into under this section which would—

"(1) result in the displacement of employed workers or impair existing contracts for services, or

"(2) involve the construction, operation, or maintenance of so much of any facility as is used or is to be used for sectarian instruction or as a place for religious worship.

"§ 1688. Repayment of Federal education loans

"(a) An eligible veteran who is obligated to repay an education loan made on or after April 13, 1970, pursuant to title II of the National Defense Education Act of 1958, part B of title IV of the Higher Education Act of 1965, part

C of title VII and part B of title VIII of the Public Health Service Act, the Omnibus Crime Control and Safe Streets Act of 1968, the Migration and Refugee Assistance Act, or from the revolving fund established by section 10 of the Act of June 18, 1934 (48 Stat. 986; 25 U.S.C. 470), or any other education loan made, insured, or guaranteed on or after April 13, 1970, under any Federal program, for education pursued prior to his performance of active duty service, may make application to the Administrator to accelerate payment of the educational assistance allowance for the purpose of paying off or reducing his indebtedness for such loan. Accelerated payment of educational assistance allowance under this section shall be made on the basis of unused educational entitlement, determined in accordance with section 1661 (a) of this title, earned for the performance of active duty performed after June 30, 1970. The application shall contain such information as the Administrator may by regulation prescribe.

"(b) Any payment of an accelerated allowance shall—

"(1) be made no more than four times per veteran for each loan made or guaranteed under any provision of law referred to in subsection (a) of this section, and be made in an amount which the eligible veteran, within the educational benefits available to him, determines is most advantageous to him;

"(2) be applied to both principal and interest remaining unpaid at the time the payment is made; and

"(3) be charged to any unused entitlement which the eligible veteran has remaining under section 1661 (a) of this title for active duty performed after June 30, 1970, at the rate of educational assistance allowance to which he would be entitled, as computed under section 1682 (a) of this title, at the time of application if he were pursuing an approved course of education on a full-time basis.

"(c) The Administrator, upon receipt of an application made pursuant to subsection (a) of this section, shall obtain a certification from the head of the Federal department or agency involved in making or guaranteeing the loan in question as to the total amount of the principal and interest outstanding on the loan. Upon approval of the application, the Administrator shall transfer to such department or agency head the amount determined by the eligible veteran under subsection (b) of this section and still outstanding on the loan or loans in question. In the case of loans federally guaranteed, directly or indirectly, the agency or department head in question shall make immediate payment to the lender of the full amount transferred to him and shall immediately send notice of such payment to the educational institution in question and other guarantors or endorsers on the loan."

TITLE III—MISCELLANEOUS AMENDMENTS TO THE VETERANS AND WAR ORPHANS AND WIDOWS EDUCATIONAL ASSISTANCE PROGRAMS

SEC. 301. (a) Section 1731 of title 38, United States Code, is amended by—

(1) inserting in subsection (a) immediately after the word "shall" the following: ", in accordance with the provisions of section 1780 of this title,";

(2) deleting subsections (b), (c), and (e) in their entirety; and

(3) redesignating subsection (d) as subsection (b).

(b) Section 1735 (hereinafter redesignated as section 1733) is amended by striking out "1737" where it appears therein and inserting in lieu thereof "1734".

SEC. 302. Subchapter II of chapter 36 of title 38, United States Code, is amended by—

(1) striking out section 1786 in its entirety and inserting in lieu thereof the following:

"§ 1786. Measurement of courses

"(a) For the purposes of this chapter, chapter 34, and chapter 35 of this title—

"(1) an institutional trade or technical course offered on a clock-hour basis below the college level, involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with no more than two and one-half hours of rest periods per week allowed;

"(2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction (which may include customary intervals not to exceed ten minutes between hours of instruction) is required; and

"(3) an institutional undergraduate course offered by a college or university on a quarter- or semester-hour basis shall be considered a full-time course when a minimum of fourteen semester hours or the equivalent thereof, for which credit is granted toward a standard college degree (including those for which no credit is granted but which are required to be taken to correct an educational deficiency), is required, except that where such college or university certifies, upon the request of the Administrator, that (A) full-time tuition is charged to all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, or (B) all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, are considered to be pursuing a full-time course for other administrative purposes, then such an institutional undergraduate course offered by such college or university with such minimum number of such semester hours shall be considered a full-time course, but in the event such minimum number of semester hours is less than twelve semester hours or the equivalent thereof, then twelve semester hours or the equivalent thereof shall be considered a full-time course.

"(b) For the purpose of this chapter and chapter 34 of this title, an academic high school course requiring sixteen units for a full course shall be considered a full-time course when a minimum of four units per year is required, and a program of apprenticeship or a program of other on-job training shall be considered a full-time program when the eligible veteran is required to work the number of hours constituting the standard workweek of the training establishment, but a workweek of less than thirty hours shall not be considered to constitute full-time training unless a lesser number of hours has been established as the standard workweek for the particular establishment through bona fide collective bargaining. For the purpose of this subsection, a unit within an academic high school course is defined to be not less than one hundred and twenty sixty-minute hours or their equivalent of study in any subject in one academic year.

"(c) The Administrator shall define part-time training in the case of the types of courses referred to in subsection (a), and shall define full-time and part-time training in the case of all other types of courses pursued under chapter 34 or 35 of this title."

(2) striking out section 1787 in its entirety and inserting in lieu thereof the following:

"§ 1787. Overcharges by educational institutions; discontinuance of allowances; examination of records; false or misleading statements

"Overcharges by Educational Institutions

"(a) If the Administrator finds that an educational institution has—

"(1) charged or received from any eligible veteran or person pursuing a program of education under chapter 34 or 35 of this title any amount for any course in excess of the charges for tuition and fees which such institution requires similarly circumstanced students not receiving assistance under such chapters who are enrolled in the same course to pay, or

"(2) instituted, after the effective date of section 1780 of this title, a policy or practice with respect to the payment of tuition, fees, or other charges in the case of eligible veterans and the Administrator finds that the effect of such policy or practice substantially denies to veterans the benefits of the advance and prepayment allowances under such section,

he may disapprove such educational institution for the enrollment of any eligible veteran or person not already enrolled therein under chapter 31, 34, or 35 of this title.

"Discontinuance of Allowances

"(b) The Administrator may discontinue the educational assistance allowance of any eligible veteran or person if he finds that the program of education or any course in which the eligible veteran or person is enrolled fails to meet any of the requirements of this chapter or chapter 34 or 35 of this title, or if he finds that the educational institution offering such program or course has violated any provision of this chapter or chapter 34 or 35, or fails to meet any of the requirements of such chapters.

"Examination of Records

"(c) The records and accounts of educational institutions pertaining to eligible veterans or persons who received educational assistance under chapter 31, 34, or 35 of this title shall be available for examination by duly authorized representatives of the Government.

"False or Misleading Statements

"(d) Whenever the Administrator finds that an educational institution has willfully submitted a false or misleading claim, or that a veteran or person, with the complicity of an educational institution, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and, where deemed advisable, to the Attorney General of the United States for appropriate action."

SEC. 303. (a) Chapter 34 of title 38, United States Code, is amended by—

(1) striking out in section 1677 (b) in the second sentence thereof all after "certification" down to the period at the end thereof and inserting in lieu thereof "as required by section 1681 (c) of this title";

(2) striking out in section 1682 (b) (2) the last sentence in its entirety; and

(3) striking out sections 1684 and 1685 in their entirety.

(b) Chapter 35 of title 38, United States Code, is amended by—

(1) striking out sections 1733, 1734, and 1736 in their entirety;

(2) redesignating section 1735 as section 1733; and

(3) redesignating section 1737 as section 1734.

(c) The table of sections at the beginning of chapter 34 is amended by—

(1) striking out:

"1684. Measurement of courses.
"1685. Overcharges by educational institutions.";

(2) striking out:

"1687. Discontinuance of allowances.";

and inserting in lieu thereof

"WORK-STUDY PROGRAM

"1687. Work-study additional educational assistance allowance; advances to eligible veterans.
"1688. Repayment of Federal education loans.".

(d) The table of sections at the beginning of chapter 35 is amended by—

(1) striking out:

"1733. Measurement of courses.
"1734. Overcharges by educational institutions.
"1736. Discontinuance of allowances.";

(2) redesignating

"1735. Approval of courses."

as

"1733. Approval of courses.";

and

(3) redesignating

"1737. Specialized vocational training courses."

as

"1734. Specialized vocational training courses.".

(e) The table of sections at the beginning of chapter 36 is amended by—

(1) inserting immediately before

"1781. Limitations on educational assistance."

the following:

"1780. Payment of educational assistance allowances.";

and

(2) striking out:

"1786. Examination of records.
"1787. False and misleading statements.";

and inserting in lieu thereof

"1786. Measurement of courses.
"1787. Overcharges by educational institutions; discontinuance of allowances; examination of records; false or misleading statements.";

SEC. 304. (a) Section 501 (a) of Public Law 91-230 (84 Stat. 174) is amended by striking out "Section 205 (a) (3)" and inserting in lieu thereof "Section 205 (b) (3)".

(b) Effective June 30, 1970, section 205 (b) (3) of the National Defense Education Act of 1958 (20 U.S.C. 425 (b) (3)) (as amended by subsection (a) of this section) is amended—

(1) by striking out "(A)" where it appears after "(plus interest)";

(2) by striking out "(i)", "(ii)", and "(iii)" wherever they appear therein and inserting in lieu thereof "(A)", "(B)", and "(C)", respectively; and

(3) by striking out ", and (B) shall be canceled for service after June 30, 1970, as a member of the

Armed Forces of the United States at the rate of 12½ per centum of the total amount of such loan plus interest thereon for each year of consecutive service".

TITLE IV—EFFECTIVE DATE

SEC. 401. This Act shall become effective on the first day of the second calendar month following the month in which enacted.

[No. 68]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., November 29, 1971.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: This will respond to your request for a report by the Veterans' Administration on S. 740, 92d Congress, a bill to amend chapters 31, 34, 35, and 36 of title 38, United States Code, in order to make improvements in the vocational rehabilitation and educational programs under such chapters, to authorize an advance initial payment and prepayment of the educational assistance allowance to eligible veterans and persons pursuing a program of education under chapters 34 and 35 of such title; to establish a work-study program and work-study additional educational assistance allowance for certain eligible veterans; and for other purposes.

This measure would amend chapters 31, 34, and 35 of title 38, United States Code, in four primary respects, namely, to authorize an advance educational allowance payment to veterans; to create a new work-study program whereby veterans could perform services for the Veterans' Administration and have their advance partially or wholly canceled; to provide for cancellation of Federal educational loans through utilization of educational entitlement earned under the GI bill; and to make various changes in present law to combine certain administrative provisions applicable to both chapters 34 and 35 into chapter 36. (With certain minor changes and the deletion of three provisions previously enacted in Public Law 91-584, S. 740 is identical with S. 3657, 91st Cong., which passed the Senate on September 25, 1970).

More specifically, section 101 of the bill would permit veterans receiving vocational rehabilitation training under chapter 31 to participate in the work-study program provided by this bill. Section 102 would increase from $100 to $200 the amount of a loan which could be made to a disabled veteran who is commencing a program of vocational rehabilitation training. We favor the enactment of the latter provision.

Section 201 would add a new section 1780 to chapter 36 of title 38. Subsection (a) of the new section would combine into the new section certain administrative provisions presently contained in sections 1681 and 1731 which provide the basic enrollment period for which educational assistance allowances may be paid for all programs other than correspondence, flight, apprenticeship, and other on-job training.

Subsections (b), (c), and (d) of the new section 1780 would authorize an advance payment program under which an eligible veteran or person who is pursuing a program of education on a half-time or more basis may apply for an be granted an advance payment of his educational assistance allowance. They would allow prepayment of subsequent educational benefits and provide for recovery of payments where the veteran or person fails to enroll after receiving an advance.

The advance payment would be made within 15 days after receipt of an application except in unusual or extraordinary cases, but not earlier than 30 days prior to the date the eligible veteran's or person's program of education is to commence. Payment would be in an amount equivalent to that payable for the month or fraction thereof in which the program is to commence plus the amount payable for the succeeding month. Subsequent payments would be prepaid each month with the final payment subject to proof of enrollment and satisfactory pursuit of the program of education.

In order to qualify for the advance, the applicant would be required to submit evidence showing himself to be an eligible veteran or person; certify that he is enrolled in, has applied for, been accepted by, and intends to enroll in a specified institution; certify that he is pursuing or plans to pursue, a specified approved course of education during such school year at such educational institution; state the expected enrollment date and the number of semester or clock hours he is pursuing or intends to pursue and, in the case of a veteran, indicate the number of dependents he claims. If the veteran or eligible person fails to qualify for such an allowance, the advance would constitute a liability and the Administrator would be permitted to recover the amount of the payment from any other Veterans' Administration benefits due the veteran or in the same manner as any other debt due the United States.

Under present law (38 U.S.C. 1681), the educational assistance allowance of an eligible veteran pursuing a program of education on a half-time or more basis is paid in arrears as soon as practicable after the Administrator is assured of the veteran's enrollment in and pursuit of the program of education for the period for which such allowance is to be paid. These payments do not begin, however, until after the veteran has enrolled and completed each month of training.

The President's Committee on the Vietnam Veteran, in its study, recognized that this delay in the initial payment of the educational allowance could have the effect of discouraging program participation by a veteran who cannot afford the initial outlay required by most schools and the necessary money for subsistence for himself and his family until the first payment is received. The Committee, in its report to the President dated March 26, 1970, made the following recommendation No. A–1:

> Encourage veterans to enter and follow through with a training program by providing an advance education assistance payment to help the veteran meet the initial costs of entering training.

A draft measure to carry out this recommendation was sent to the Congress last year, but was not enacted into law. The President, in his message to the Congress dated January 26, 1971, urged the Congress to consider advance payment legislation. A new draft bill was submitted to the President of the Senate by letter of the same date, urging its enactment (copy enclosed). This resulted in the introduction of S.

2063 which is presently pending before your committee. S. 2063 would authorize the Administrator to make an initial advance payment of the educational assistance allowance granted under chapter 34 of title 38, to veterans enrolled in an educational institution half-time or more, plus the allowance for 1 full month, upon receipt of proof that the eligible veteran has been accepted for enrollment in an approved educational institution. Such payment would be made not earlier than the first of the month in which pursuit of the program is to commence. Thereafter, payments would continue to be made in advance at the beginning of each month in which the veteran pursues his program of education.

Administration control over the propriety of such payment is provided for by authorizing the Administrator to withhold final payment of an enrollment period until proof of satisfactory pursuit of the program is furnished. In addition, the eligible veteran fails to enroll in the course after receiving the initial payment of the educational assistance allowance, the amount of such advance payment may be recovered from any benefit otherwise due to the veteran under any other law administered by the Veterans' Administration or such overpayment shall constitute a liability of such eligible veteran and may be recovered in the same manner as any other debt due the United States. Advance payments would not be permitted to be made to veterans pursuing flight or correspondence training programs.

The recent amendment of the GI bill (Public Law 91–219) provides for a lump-sum payment of the educational assistance payable to veterans who are atending school on a less than half-time basis and to eligible servicemen for the entire quarter, semester, or term during month immediately following the month in which the enrollment certification is received. The advance payment proposals in both S. 740 and the draft proposal would, we believe, be a desirable extension of the present law in that veterans attending school on a half-time or more basis would be permitted to apply for an advance payment prior to their enrollment in school.

The advance pay provision of S. 740 contain certain procedural restrictions relative to the administration of this proposed program which we believe could best be left to administrative determination. We are particularly concerned with the time frame limitations on advance payment, that is, within 30 days prior to training and 15 days after receipt of application. For these and other reasons, we favor S. 2063 which does not contain such restrictions on the Administrator's flexibility in adjusting to changing circumstances.

Subsection (e) of the new section 1780 would incorporate into chapter 36 certain provisions presently set forth in section 1682(b)(2) concerning lump-sum payments to individuals pursuing programs of education while on active duty or on a less-than-half-time basis. The effect would be to extend this lump-sum payment system to individuals eligible under chapter 35 as well as to those individuals currently eligible under chapter 34. Subsection (f) merely incorporates present provisions of sections 1681(c) and 1731(c) into chapter 36.

Section 202 of the bill is an administrative change which revises section 1681 of chapter 34 of title 38 concerning payments to eligible veterans of educational assistance allowance and includes references to the new section 1780.

Section 203 of the bill would add to two new sections (1687 and 1688) to chapter 34. The first new section proposes a work-study program while the second would establish a new paln under which veterans could utilize their GI bill educational entitlement to repay or cancel Federal educational loans.

The proposed new work-study program would apply to veterans pursuing, on a full-time basis, a course of vocational rehabilitation under chapter 31 or a program of education under chapter 34. The veteran would be paid an advance of $250 in return for his agreement to perform services which may be related to the processing of necessary papers at educational institutions or regional offices or facilities of the Veterans' Administration, service in conjunction with the outreach services program, services in the hospital, domiciliary care, and medical treatment programs or services related to any other activity of the Veterans' Administration as the Administrator shall deem appropriate. The $250 advance would be repaid by the performance of 100 hours of services. Advances of lesser amounts could be made on a repayment basis through the performance of a prorated number of hours of service. If the veterans failed to fulfill his work obligation, the amount due, based upon the pro rata portion of the work obligation not completed, would be considered an overpayment and treated like overpayments in other programs.

The proposal requires the Administrator, based upon a prescribed annual study, to allot work-study agreements through regional offices, with the regional offices to further allocate agreements to educational institutions within their areas. It also sets forth criteria for the selection of the students for the work-study program including needs of the student to augment his allowance, motivation of the veteran, disadvantages of minority groups, and availability to place where services are to be performed.

I strongly support the idea that needy veterans attending school under the GI bill should have an opportunity to augment their income through work-study arrangements. The administration is seriously concerned with the financial plight of all college students, including veterans, who struggle with the rising costs of higher education in their efforts to enter or finish school. For any student in this difficult situation, help is most effective if it takes into account his total financial situation.

Under the Higher Education Act of 1965, student assistance in the form of loan, grant, and work-study programs reach colleges throughout the country and already go far to meet the needs of students, including veterans. Accordingly, while I endorse the objective of the work-study provisions of this bill, I must oppose them as duplicative of the existing work-study program which is better designed to reach the neediest veteran students and provides them with higher benefits.

Moreover, amendments to the Higher Education Act proposed earlier this year by the administration and now under consideration by the Congress provide a comprehensive approach to students' financial problems through loans, grants, and work-study assistance which would be more effective, better targeted, and simpler to administer than the work-study provisions of S. 740. The Office of Education estimates that 95 percent of all returning veterans would be found eligible to participate in the general higher education programs.

I recognize that one intent of the proposed work-study provisions of S. 740 is to increase the possibilities for GI student employment in the Veterans' Administration. While VA already has a substantial work-study program and hires sizable numbers of returning veterans, it would be desirable to diversify VA's authority in this area by providing new language which would permit the Administrator to employ, as intermittent employees, students enrolled in full-time programs of education or training under chapters 31 and 34 of title 38. Instead of the basis set forth in the subject bill for paying these student-veterans, we would recommend paying them in accordance with the going rate for the job classification. We believe that in nearly all instances this would be more per hour than that payable under the bill. A draft of a suggested amendment to carry out our recommendation is enclosed as an attachment to this report.

The new section 1688 proposed in section 203 of S. 740 would offer veterans with GI bill educational entitlement a new option; namely, the opportunity to use accelerated educational assistance allowance to repay, in whole or in part, certain Federal direct or guaranteed loans. These would be loans made to the veteran after April 13, 1970, for education pursued prior to his performance of active duty service. The veteran would be granted four separate opportunities to have unused entitlement (at the rate of educational assistance to which he would be entitled at the time of application and based upon full-time training), applied to both principal and interest for each loan as he determines is most advantageous to him. The active duty upon which such entitlement is earned would be that which was performed after June 30, 1970. This new section would supplant section 501 of Public Law 91-230 which currently provides loan cancellation at a rate of 12½ percent per year for up to a maximum of 4 years of service after June 30, 1970.

Historically, the educational assistance allowance has been provided by the Congress to encourage returning veterans to continue their education and training. The federally supported loan program, open to both veterans and nonveterans, was intended to assist those with insufficient financial means to obtain some needed education and also encourage persons to train in fields where a need for specially trained persons existed, such as in teaching and in medical subspecialities. The repayment provisions for these loans are very liberal, with many containing substantial forgiveness when the borrowers engage in employment in the field for which he trained or for work in specially designated areas.

The returning veteran has 8 years from his release from active duty to avail himself of the educational assistance provided under the GI bill. We believe there would be great temptation to the veteran who has college training and an outstanding Federal education loan to apply all of his entitlement to pay off part or all of the loan. The demands of our society are such, with everchanging technological and methodological advances that graduate training has become commonplace, and not the exception. It is now the key to a better job. If a veteran used his entitlement to offset a prior loan, the educational assistance allowance would not be available to continue his education. The temptation to spend his earned entitlement to erase an old loan would be strong.

We oppose this provision as we do not believe it will assist the readjustment of veterans and it is not consistent with the purposes of the educational assistance program. It would simply refill the loan coffers of other agencies at an accelerated rate to provide the nonveteran population more funding. It would discriminate against the student who worked to pay for his education and could very well negate the purposes for which many Federal educational loan programs were designed.

The remaining sections of the subject bill are primarily administrative in context and would make required changes to combine various provisions presently contained in chapters 34 and 35 into a single unit within chapter 36. In addition, provisions presently contained in the National Defense Education Act providing for loan cancellation for service in the Armed Forces (referred to earlier in this report) would be repealed.

Concerning the cost of S. 740, if enacted, the advance and prepayment of educational assistance allowances under chapters 34 and 35 would involve additional costs only to the extent that administrative costs may be increased or overpayments might occur. Increases in administrative costs would not be substantial and provision is made in the bill for the recovery of overpayments.

We have no prior experience with the work-study program to use as a firm basis for estimating the numbers of trainees who might be usefully employed by the Veterans' Administration on a limited part-time basis to perform necessary services. Therefore, we have not attempted to estimate annual participation rates and costs applicable to each of the next 5 years, but, instead, have estimated an annual rate of participation and cost which reasonably might be expected in 1 full year of operation of these provisions after they become effective and are fully installed. This annual rate of participation and cost is estimated as follows:

[In millions of dollars]

umber of trainees employed in work-study program	Estimated costs		
	Administrative	Direct benefits	Total
123,000	4,500,000	$30,600,000	$35,100,000

Much of the information needed as a basis for estimating the magnitude of the cost of the loan repayment proposal is not available; therefore, the estimate submitted here is of necessity based on a series of assumptions which are set forth in detail in an attachment to this report. Based upon the information available and the assumptions made, our estimate of costs for the first 5 years is as follows:

Direct Benefits Costs

Fiscal year:	*Millions*
1972	(nominal)
1973	$8.9
1974	23.3
1975	36.5
1976	44.7
5-year total	113.4

These estimates assume that eligible persons will not apply for repayment action after they have served more than 180 days on active duty, but would wait until they have been separated from the Armed Forces. Veterans are expected to request full repayment of the balance of their loan when the first postservice payments become due.

It is anticipated there will be a substantial increase in administrative cost due to the provisions for repayment of these Federal education loans. However, the extent of such increase cannot be determined until administrative procedures which would be required to implement this proposal are further defined

In summary, we favor the provisions of the bill increasing the amount available to chapter 31 veterans for loans from $100 to $200; we favor the administrative changes as we believe they should contribute toward administrative simplicity; and we are in favor of the principle of advance payment of educational assistance allowances, but recommend enactment of provisions for handling such payments as set forth in the draft bill entitled "Veterans' Education and Training Amendments of 1971" transmitted to the President of the Senate this date rather than those contained in S. 740. As set forth earlier in this report, we do not recommend enactment of the work-study proposal in view of the existing broader work-study program which is better designed to assist the neediest veteran-students. However, we propose the enactment of general statutory authority permitting the employment of veteran-students as intermittent employees. Finally, we oppose the the enactment of the provision permitting repayment of Federal education loans by using educational assistance entitlement earned under the GI bill.

The Office of Management and Budget has no objection to the submission of this report.

Sincerely,

Donald E. Johnson, *Administrator*.

Amendment

S. 740, 92d Congress, is amended as follows:

Beginning on page 10, line 9, strike out all that follows through line 20, page 14, and insert in lieu thereof the following:

"§ 1687. Veteran-student employment

"(a) Notwithstanding any other provision of law, the Administrator is authorized to utilize on an intermittent basis the services of veteran-students who are pursuing full-time programs of education or training under chapters 31 and 34 of this title. Such veteran-students may be utilized to perform such services for the Veterans Administration at such times and places as the Administrator deems advisable.

"(b) Veteran-students utilized under the authority of subsection (a) of this section shall be paid an hourly rate equivalent to the minimum rate for a grade in the General Schedule contained in section 5332 of title 5, determined by the Administrator to be appropriate for the services rendered. Such grade determination may, at the Administrator's discretion, be based upon, but shall not be subject to, position classification standards issued by the Civil Service Commission pursuant to section 5105 of title 5.

"(c) While performing the services authorized by subsection (a) of this section, such veteran-students shall not be deemed to be employees of the United States for the purposes of laws administered by the Civil Service Commission. They shall, however, be considered to be employees of the United States for the purposes of the benefits of chapter 81 of title 5."

ASSUMPTIONS USED IN ESTIMATING COST OF LOAN REPAYMENT PROPOSAL CONTAINED IN SECTION 203 OF S. 740, 92d CONGRESS

First assumption

Persons who might benefit from this proposal are categorized into two groups:

(*a*) Persons eligible for loan repayment who would have been in training anyhow under current provisions of chapter 34.

(*b*) Persons eligible for loan repayment who would not have entered training under chapter 34 but who will use this opportunity to repay their educational loan by charge against entitlement under chapter 34.

Second assumption

Approximately 2% of the loan repayment will be for veterans enrolled in schools below college level. This assumption recognizes Office of Education experience which indicates that 98% of their education loans are made to college students.

Third assumption

Past experience concerning the proportion of chapter 34 trainees who had completed one or more years of college prior to service will continue relatively unchanged. This experience is as follows: 1 year 6.5%; 2 years 4.4%; 3 years 1.8%; 4 years 6.3%; 5 years 2.5%; or a total of 21.5% who completed one or more years of college prior to service. However, not all of these veterans would have received this training after April 13, 1970. This cost estimate includes only those years of training (loans) which are likely to have occurred subsequent to April 13, 1970.

Fourth assumption

Estimates obtained from participating Federal agencies indicate that approximately one of four college trainees receives an education loan; therefore, we have assumed that one of four veteran trainees who had completed one or more years of college prior to service received such a loan. Further, because of the apparent liberality of this proposal, we assume that this proportion for veterans eligible for loan repayment will be increased to one of three.

Fifth assumption

A relatively few veterans will be in an occupational field which exempts them from paying up to half of their loan. However, the fact that they can repay the entire loan by charging it to chapter 34 entitlement may cause some of them to change to a more lucrative field of employment and use this repayment device. In any event, all of the veterans in such occupational fields are likely to use this device for repayment for at least half of their loan.

Sixth assumption

Some veterans eligible for loan repayment may elect to conserve all of their chapter 34 entitlement for purposes of current training. We have assumed that this number will reduce the 33% (one of three) cited in the fourth assumption to 30%. We further assume that the remaining veterans will have sufficient unused entitlement to cover the entire amount of loan.

Seventh assumption

Most of the veterans who request loan repayment will request repayment of the entire loan in one payment. Based upon information from the Office of Education, we have estimated that the weighted average loan made for Fiscal Year 1970 was equal to $833, annual rate. To allow for the annual increase in school costs and the cost of living, we have assumed an annual increase of 6% in the average amount of loan. These average rates are used to estimate the average total amount of loan incurred by an eligible veteran over all the years covered by his loan.

Eighth assumption

The number of eligible persons who will request loan repayment without entering training (Assumption 1.b) are about two-thirds as large as the number of trainees who will request such repayment. Therefore, we multiplied the estimated cost applicable to trainees by the factor 167% to provide for the total cost of loan repayments.

Ninth assumption

There will be some cost avoidance for other agencies because of early repayment of the loan and cancellation of interest payments which otherwise would have been paid by the Federal government. The amount of such offset in cost is not reflected in the estimate of cost which would be paid by the Veterans Administration.

Tenth assumption

There will be an appreciable increase in administrative cost to the Veterans Administration. However, the extent of such increase cannot be determined until administrative procedures which would be required to implement this proposal are further defined. Therefore, the cost cited is for direct benefits only.

Eleventh assumption

The estimate of veterans to whom this proposal would be applicable is based upon Department of Defense estimates of separation rates for Fiscal Year 1973 and subsequent years. Veterans separated prior to Fiscal Year 1973 are presumed to be ineligible. If the sharp decline in separation rates estimated by the Department of the Defense (reduction to about one-third the Fiscal Year 1970 rate by Fiscal Year 1976) does not occur, this could increase the direct benefits cost through Fiscal Year 1975 to as much as twice the estimated level.

[No. 104]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., March 13, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request of April 7, 1971 for the views of this Office on S. 740, the "Veterans' Advance Educational Payment and Work-Study Act of 1971."

S. 740 would authorize advance education payments to veterans; create a new work-study program whereby veterans could perform services for the Veterans' Administration and have their advance partly or wholly canceled; and provide for cancellation of Federal educational loans through use of educational entitlement earnings under the GI bill.

In it s report to your committee on this bill, the Veterans' Administration indicates in detail its position on S. 740 and the reasons for objecting to major portions of the bill particularly the work-study provisions. We concur in the views expressed in the report of the Veterans' Administration.

The bill's provisions for payment of an advance education allowance, however, are consistent with provisions in the Administration's 'Education and Training Amendments of 1971," S. 3059, which would permit advance payments to be made to veterans and eligible wives, widows, and children. We recommend enactment of that bill rather than the advance payment provisions of S. 740. Enactment of S. 3059 would be consistent with the program of the President.

Sincerely,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

92d CONGRESS
1st Session

S. 1776

IN THE SENATE OF THE UNITED STATES

May 5, 1971

Mr. Jordan of Idaho (for himself and Mr. Church) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

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A BILL

To provide equitable treatment of veterans enrolled in vocational education courses.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, **That section 1681 (b) (2) of title 38, United States Code, is amended to read as follows:**

"(2) to any veteran enrolled in a course which does not lead to a standard college degree for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends, legal holidays established by Federal or State law during which

II

the institution is not regularly in session, or vacation periods established by the institution in conjunction with such holidays; or”.

[No. 38A]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., September 22, 1971.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This will respond to your request for a report by the Veterans' Administration on S. 1776, 92d Congress, a bill "To provide equitable treatment of veterans enrolled in vocational education courses."

This bill would amend section 1681(b)(2) of title 38, United States Code, to exclude those vacation periods established by the institution in conjunction with certain holidays for absence counting purposes in computing the educational assistance allowance payable to veterans pursuing courses not leading to a standard college degree.

Current law (38 USC 1681(b)(2)) presently provides that no educational assistance allowance shall be paid to any veteran enrolled in a course which does not lead to a standard college degree (excluding programs of apprenticeship and other on-job training authorized by section 1683 of title 38) for any day of absence in excess of 30 days in a 12-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution is not regularly in session.

The first GI bill (Public Law 346, 76th Congress) was enacted on June 22, 1944. This represented the first major scholarship undertaking by the Federal Government and many problems developed in the administration of this program. As a result the Congress created a select committee to make an investigation of the program. This committee conducted a lengthy study and during this investigation numerous inadequacies in the law relating to such matters as full-time courses, required attendance, and attendance in subversive type schools were found. It was also brought out that many fly-by-night vocational and trade schools had been created which catered exclusively to veterans.

The findings and experience of the select committee were utilized in drafting the Korean conflict GI bill (Public Law 550, 82d Congress). History has shown that the Korean program met with marked success and most of the areas of abuse detected in the earlier World War II program were eliminated. Section 1681(b)(2) of the present GI bill is similar in content to the corresponding section 231(b)(2) in Public Law 550.

Based upon the present allowance of 30 days of absence in a year, without any reduction in the amount of the benefit received, the veteran may be absent 11½ percent of the time. And, this does not include the extra days off because of Federal or State holidays (there are now nine Federal holidays listed in 5 U.S.C. 6103). We believe that allowance with pay for 11½ percent of the time in a year provides for a most reasonable amount of time away from school.

Traditionally, the vocational type courses and degree courses have been given at separate institutions, with different organizations and procedures. Today, in many cases, both academic and vocational training are being given by the same institutions. The different procedures necessary for the vocational operations stem from the nature of the training. The distinction is in the course and not the school or student. To increase the amount of absence with pay which this bill would do, would dilute the training schedules of the vocational type courses for the individual veteran. In these courses shop practice and theory are essential instructions. To miss more than the minimal of either would be detrimental to the veteran in his effort to succeed in the program.

It is estimated that if S. 1776 were enacted the first year cost of the bill would be $1.5 million and the first 5-year cost would be $6.2 million. A detailed 5-year cost estimate follows:

Additional direct benefits cost

Year:	*In millions*
1st	$1.5
2d	1.4
3d	1.3
4th	1.0
5th	1.0
5-year total	1.0

The above estimate is based on the first full year being fiscal year 1972.

For the foregoing reasons, we recommend against favorable action by your committee on S. 1776.

As a technical matter, we note that the subject bill does not incorporate the exclusion of veterans in apprenticeship or other on-job training presently contained in section 1681(b)(2). This exclusion was placed in the section when the Congress enacted Public Law 91–584. A different measurement has been applied to these veterans (38 USC 1683(b)(2)) premised upon the number of hours of training they receive each month. Should your committee give consideration to the subject bill, we urge that this exclusion be retained..

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

DONALD E. JOHNSON,
Administrator.

[No. 39A]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., September 24, 1971.

HON. VANCE HARTKE,
*Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in response to your request of May 10, 1971, for the views of this office on S. 1776, a bill to provide equitable treatment of veterans enrolled in vocational education courses.

In its report to your committee on S. 1776, the Veterans' Administration explains its reasons for recommending against favorable action on the bill. We concur in the views expressed in the report of the Veterans' Administration and, accordingly, recommend against the enactment of S. 1776.

Sincerely,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

92d CONGRESS
1st Session

S. 1918

IN THE SENATE OF THE UNITED STATES

May 20, 1971

Mr. McGovern introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

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A BILL

To amend chapter 34 of title 38, United States Code, to provide additional educational benefits to veterans who have served in the Indochina theater of operations during the Vietnam era.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 34 of title 38, United States Code, is amended by adding after section 1683 a new section as follows:

"§ 1683A. Educational assistance for eligible Vietnam veterans

"(a) Notwithstanding any other provision of this chapter, payments for educational assistance shall be made to eligible Vietnam veterans under this section rather than under the preceding provisions of this subchapter.

"(b) The Administrator shall reimburse any eligible Vietnam veteran enrolled in a full-time or part-time course of education or training under this chapter (including a cooperative program) for costs incurred by such veteran for tuition, for laboratory, library, health, infirmary, and other similar fees, and for expenses incurred for books, supplies, equipment, and other necessary expenses, exclusive of board, lodging, other living expenses, and travel, as are generally required for the successful pursuit and completion of the course of education or training in which such veteran is enrolled. In no event shall payment made to an eligible Vietnam veteran under this section for any expense incurred by such veteran exceed the customary amount paid by other students in the same institution for the same service, privilege, material, or equipment; and in no event shall the total payments made to or on behalf of any veteran under this subsection exceed $3,000 for an ordinary school year, unless the veteran elects to have such customary charges paid in excess of such limitation, in which event there shall be charged against his period of eligibility the proportion of an ordinary school year which such excess bears to $3,000. No payments for tuition or enrollment shall be paid to any veteran for apprentice training on the job. Payments for tuition and other expenses incurred by any eligible Vietnam veteran may be made by the Administrator to such veteran under this subsection on the basis of such reasonable evidence as the Administrator may require.

"(c) Except as provided in subsection (d) of this section, while pursuing a program of education under this chapter of half-time or more, an eligible Vietnam veteran shall be paid the monthly subsistence allowance set forth in column II, III, IV, V, or VI (whichever is applicable as determined by the veteran's dependency status) opposite the extent of program participation shown in column I:

Col. I, extent of participation in program	Col. II, no dependents	Col. III, 1 dependent	Col. IV, 2 dependents	Col. V, 3 dependents	Col. VI, more than 3 dependents
Full time	$214	$280	$347	$414	$61
¾ time	157	207	272	315	47
½ time	99	137	172	206	33[1]

[1] The amount in col. V, plus the following for each dependent in excess of 3.

"(d) An eligible Vietnam veteran receiving compensation for productive labor whether performed as part of his apprentice or other training on the job at institutions, business or other establishments, or otherwise, shall be entitled to receive such lesser sums, if any, as subsistence or dependency allowances as may be determined by the Administrator. In no event, however, shall the rate of such allowance plus the compensation received exceed $600 per month for a veteran without a dependent, or $720 per month for a veteran with one dependent, or $850 for a veteran with two or more dependents. Only so much of the compensation as is derived from productive labor based on the standard workweek for the particular trade or industry, exclusive of overtime, shall be considered in computing the rate of allowances payable under this subsection.

"(e) The Administrator shall prescribe such regulations as he deems necessary or appropriate to implement the provisions of this section.

"(f) For purposes of this section—

"(1) The term 'eligible Vietnam veteran' means any veteran who (A) served on active duty for one hundred eighty days or more in the Indochina theater of operations, any part of which occurred during the Vietnam era, and was discharged or released therefrom under conditions other than dishonorable, or (B) served on active duty for any period of time in the Indochina theater of operations during the Vietnam era if his tour of duty in such theater of operations was terminated as a result of an injury suffered or disease contracted in line of duty while serving in such theater of operations, and was discharged or released from such active duty under conditions other than dishonorable, or (C) was discharged or released from active duty for a service-connected disability incurred as the result of service performed in the Indochina theater of operations during the Vietnam era.

'(2) The term 'Indochina theater of operations' means North or South Vietnam, Cambodia, or Laos."

SEC. 2. Section 1691 (b) of title 38, United States Code, is amended by striking out the semicolon after the word "title" and inserting in lieu thereof a comma and the following: "and shall pay to an eligible Vietnam veteran (as defined in section 1683A (f) of this title) pursuing a course or courses pursuant to such subsection, educational assistance as provided in section 1683A of this title;".

SEC. 3. The table of sections at the beginning of chapter 34 of title 38, United States Code, is amended by adding below

"1683. Apprentice or other on-job training."

the following:

"1683A. Educational assistance for eligible Vietnam veterans."

SEC. 4. The amendments made by this Act shall become effective on the first day of the second calendar month following the month in which this Act is enacted. No benefits shall be paid to any person for any period prior to such effective date.

92D CONGRESS
1ST SESSION

S. 1918

IN THE SENATE OF THE UNITED STATES

NOVEMBER 2, 1971

Referred to the Committee on Veterans' Affairs and ordered to be printed

AMENDMENTS

Intended to be proposed by Mr. McGOVERN to S. 1918, a bill to amend chapter 34 of title 38, United States Code, to provide additional educational benefits to veterans who have served in the Indochina theater of operations during the Vietnam era, viz:

On page 4, lines 11 through 15, strike out clause (A) and insert in lieu thereof "(A) served on active duty for a period of more than one hundred and eighty days, any part of which occurred during the Vietnam era, and was discharged or released therefrom under conditions other than dishonorable, or".

On page 5 immediately after subsection (f) insert the following:

"(g) Notwithstanding any other provisions of law, no

Amdt. No. 584

eligible Vietnam veteran shall receive educational assistance or a monthly subsistence allowance under this chapter in excess of forty-eight months."

Section 1661 (c) of title 38, United States Code, is amended by inserting ", section 1683A (g) of this chapter," immediately after "subsection (b)".

On page 3 immediately after the subsection designation "(c)" insert "(1)".

On page 3 immediately after line 11 insert "(2) The amounts specified in this subsection shall be adjusted by the Administrator at the beginning of each fiscal year to reflect changes in the cost of living as reflected in the Consumer Price Index as determined by the Bureau of Labor Statistics in the period of the twelve months immediately preceding that fiscal year.".

Amend the title so as to read: "A bill to amend chapter 34 of title 38, United States Code, to provide additional educational benefits to eligible Vietnam veterans."

[No. 72]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

VETERANS ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIRS,
Washington, D.C., December 8, 1971.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This will respond to your request for a report by the Veterans' Administration on S. 1918, 92d Congress, a bill to amend chapter 34 of title 38, United States Code, to provide additional educational benefits to veterans who have served in the Indochina theater of operations during the Vietnam era.

The proposal would add a new section 1683A to chapter 34 permitting payment of additional educational benefits to those veterans who served in the Indochina theater of operations during the Vietnam era.

The proposed new section provides for payments of up to $3,000 for an ordinary school year to veterans pursuing education or training under chapter 34 (with certain exceptions) to cover costs incurred by them for tuition, laboratory, and other fees and expenses, exclusive of board, lodging, and other living or travel expenses. The payments would not exceed those costs paid by other nonveterans attending the same institution and pursuing the same courses.

In addition to the tuition grant, the measure also provides for the payment of a subsistence allowance which is substantially in excess of (and is in lieu of) the educational assistance allowance presently being paid to eligible veterans.

Under the terms of the World War II GI bill (Public Law 346, 78th Cong.), tuition, fees, books and other necessary expenses up to a maximum of $500 per ordinary school year were paid directly to the educational institution by the Veterans' Administration. This required contracting with such institutions for this service, a method found to be unsatisfactory and an area subject to much abuse. The findings of the House Select Committee To Investigate the Educational and Training Program Under GI Bill during 1950 showed that there were many inadequacies in the law which led to multiple problems. Included among the abuses was veteran enrollment aimed at financial gain rather than serious educational intent with exploitation of the veteran as well as the Government. It was also found that overcharges were made for supplies, books and tools and in many instances the tools were being sold or pawned by the veteran.

In enacting the Korean conflict GI bill (Public Law 550, 82d Cong.), the Congress provided an educational benefit program designed to meet, in part, the expenses of the veteran's subsistence, tuition, fees, supplies, books and equipment. This was premised on the select committee's investigation which indicated that this method of payment, made directly to the veteran, would achieve the desirable objective of giving the veteran a financial interest in his own training. The current GI bill (Public Law 89–358), which established a program of educational benefits for veterans who served on active duty in the Armed Forces after January 31, 1955, adopted the partial assistance approach which originated in the Korean bill.

The proposed new subsistence rate alone would, in the case of a Vietnam veteran who is attending school on a full-time basis and has four dependents, result in an increase of 86 percent above the total benefit now being paid to him. This increase does not include the tuition and other school cost benefits provided by the bill. When these large subsistence rates are coupled with the grant of tuition, up to $3,000, and other benefits, it is apparent that the overall increases awarded under the bill would be totally unwarranted.

It should also be pointed out that the proposed new section 1683A sets ceilings on the amount of combined wages and subsistence allowance an eligible veteran may receive. These ceilings, we believe, could have an adverse effect on the amount of subsistence which veterans pursuing on-job training, apprenticeship or cooperative programs would receive. The assistance presently being paid under these programs is premised upon the payment of a salary by the employer. The proposal could result, in some cases, in reducing benefits to a veteran whose earnings plus subsistence would exceed the ceilings set forth in the bill.

In addition, since the veteran would have the total responsibility for reporting employment earnings to the Veterans' Administration, we believe that such a system would lead to many inequities, overpayments due to lack of timely reporting, and other abuses of the program. We do not feel that the occasion for inaccurate reporting, as was found to occur under the World War II GI bill, should be repeated. And this would impose a serious administrative burden on the Veterans' Administration in constantly adjusting subsistence benefit payments to veterans based upon such a reporting system.

Under the provisions of the bill relating to the definition of "eligible Vietnam veteran," the increased benefits would be provided those veterans discharged or released from active duty due to a service-connected disability. It can be presumed that many of these veterans, so injured, presently qualify for educational benefits under chapter 31 of title 38, United States Code. These benefits have traditionally been more liberal than those provided under chapter 34. The definition would also have the effect of granting to those veterans who qualify under this bill simply because of active duty in the Indochina theater of operations, benefits that veterans of other service could acquire only by having suffered a service-connected disability serious enough to require special rehabilitation assistance. Clearly this would be inequitable.

For Veterans' Administration purposes, the period of service rather than the area where the veteran served has long been the criterion in awarding benefits. Under the terms of this bill, veterans who have been designated to serve in a combat zone would be offered greater entitlement to benefits. That position would be contrary to the established congressional policy which provides nondiscriminatory treatment for all veterans serving during the same period.

In addition, since the measure fails to include certain offshore areas within the geographical limitations specified in the bill, there would be no provision for those Navy or Air Force personnel who were not stationed on the specified land areas, but were cruising or flying in the area. This would also be discriminatory.

The impressive growth participation by Vietnam era veterans in GI bill training and education benefits suggests there is little need to revise the basic benefit structure as proposed by this bill. Since enactment in May 1966 the Vietnam era GI bill has provided education and training to 1.8 million Vietnam veterans, together with an additional 0.8 million veterans who left service after 1955. The participation rate has shot upward by any index. In the past 3 years, the participation rate of Vietnam era veterans, on a cumulative basis, has risen from 16 to 35.2 percent. There is evidence that men are entering training more quickly after discharge; the first year participation rate in this period has risen by 25 percent. The GI bill, moreover, has fitted the aspirations and talents not only of the college-bound individual but also of the man who wants technical training, who wants a job with built-in training opportunities, and the man who wants to finish high school and learn a trade. The enrollment of veterans in on-the-job training (OJT) has risen by 121 percent during fiscal years 1969–71, from 65,000 to 146,000.

What is needed now is to maintain this momentum of growth. This can best be done by preserving the basic structure of the post-Korean GI bill and by providing an increase in benefits to cover the rise in consumer prices since the last benefit adjustment in February 1970. The administration has designed on omnibus bill, now pending before your committee to meet this need. The omnibus bill provides for an 8.6-percent increase in GI bill allowances and other program adjustments to improve educational opportunities for veterans, war widows and orphans.

If the measure should be given further consideration, there are a number of other defects in the bill which would require changes that could be developed through conferences between members of your committee's staff and representatives of the Veterans' Administration.

It is estimated that the direct benefit cost of S. 1918 would be $485.3 million the first year and $2,266.3 million over the first 5 years. A detailed cost analysis is enclosed as an attachment to this report.

In summary, because of the inequitable features of S. 1918, the lack of need for such a bill and its inconsistence with the national effort to contain inflation, we recommend against enactment of S. 1918. Instead, we recommend enactment of the administration's omnibus bill which is designed to meet the education needs of all Vietnam era veterans in an equitable manner.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

DONALD E. JOHNSON,
Administrator.

Inclosure

COST ESTIMATE—S. 1918, 92D CONGRESS

It is estimated that the increase in direct benefits cost during the first year under S. 1918 would be $485.3 million and would total $2,266.3 million over the first 5 years. In arriving at this estimate, we have assumed that the proposal would become applicable before the beginning of the 1971–72 school year. This estimate is also premised on the number of potentially eligible veterans presently in training. A detailed breakdown by individuals and cost over the first 5-year period is as follows:

Fiscal year	Individuals	Cost (in millions)
1st	457,000	$485.3
2d	487,000	536.7
3d	462,000	528.2
4th	340,000	403.5
5th	253,000	312.6
5-year total		2,256.3

A detailed breakdown of direct benefits cost by type of training is set forth in attachment A.

If the higher benefits which would be made available by this proposal should induce additional veterans to enter training who otherwise would not have trained, the entire cost of training for such persons would be considered to be additional direct benefits cost attributable to this proposal. Such possible added cost is not susceptible of any meaningful estimate.

In estimating the cost of the bill, we have excluded all veterans of the Indochina theater of operations who are pursuing flight training, correspondence training, or training on less than a half-time basis. Also excluded are those veterans who did not have the requisite service in the Indochina theater of operations.

The ceiling limitations (subsection (f) of the proposed new section 1683A), for Indochina theater veterans, would limit full-time trainees to earnings of about $400 to $500 per month, contingent upon the number of their dependents. The same monetary ceilings would be applicable to part-time trainees, so it would be possible for them to have higher earnings, to the extent that their subsistence allowance is lower. It is expected that about 500,000 trainees would be affected by the ceiling in the first year, and that approximately 130,000 trainees would be likely to have their educational assistance allowance reduced (in some cases canceled) by the ceiling. These estimates assume that on-job trainees and half-time school trainees are full-time workers and that an appreciable number of the three-quarter and full-time trainees are also full-time employed. The earnings estimated for these full-time employed trainees are based upon data developed for veterans age 20 to 24 from the Census current population survey. For the purposes of comparing what the proposed bill would cost if the restrictions on combined earnings and allowances for trainees were not imposed, we have prepared a chart showing such costs (attachment B). Additional administrative costs attributable to the provision of the bill setting income ceilings might approximate $0.4 million the first year, accumulating to about $1.8 million over the first 5 years.

ATTACHMENT A

ESTIMATED INCREASE IN COST OF DIRECT BENEFITS AS PROPOSED IN S. 92-1918

		Direct benefits cost (in millions)							
		Total all types training			IHL		BCL		
Fiscal year	Total individuals	Grand total	Rate increase	Tuition	Rate increase	Tuition	Rate increase	Tuition	OJT—Rate increase
1st	457,000	$485.3	$152.1	$333.2	$85.6	$290.6	$4.8	$42.6	$61.7
2d	487,000	536.7	169.6	367.1	88.4	318.2	5.6	48.9	76.6
3d	462,000	528.2	163.0	365.2	83.2	316.4	4.8	48.8	75.0
4th	340,000	403.5	120.6	282.9	60.7	243.0	3.8	39.9	56.1
5th	253,000	312.6	90.9	221.7	45.4	191.1	2.8	30.6	42.7
5-year total		2,266.3	696.2	1,570.1	363.3	1,359.3	21.8	210.8	311.1

ATTACHMENT B

ESTIMATED INCREASE IN COST OF DIRECT BENEFITS UNDER S. 92-1918 IF THE SUBSISTENCE WERE NOT TO BE REDUCED BY APPLICATION OF THE CEILING

		Direct benefits cost (in millions)							
		Total all types training			IHL		BCL		
Fiscal year	Total individuals	Grand total	Rate increase	Tuition	Rate increase	Tuition	Rate increase	Tuition	OJT—Rate increase
1st	457,000	$648.5	$315.3	$333.2	$176.0	$290.6	$23.7	$42.6	$115.6
2d	487,000	716.2	349.1	367.1	181.8	318.2	25.6	48.9	141.7
3d	462,000	701.1	335.9	365.2	171.2	316.4	24.1	48.8	140.6
4th	340,000	531.4	248.5	282.9	124.8	243.0	18.6	39.9	105.1
5th	253,000	408.7	187.0	221.7	93.4	191.1	13.6	30.6	80.0
5-year total		3,005.9	1,435.8	1,570.1	747.2	1,359.3	105.6	210.8	583.0

[No. 108]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., March 22, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your request for a report by the Veterans' Administration on Amendment No. 584 to S. 1918 a bill originally entitled to amend chapter 34 of title 38, United States Code, to provide additional educational benefits to veterans who have served in the Indochina theater of operations during the Vietnam era.

Amendment No. 584 would change the title of the bill to read: "A bill to amend chapter 34 of title 38, United States Code, to provide additional educational benefits to eligible Vietnam veterans."

The amendment also redefines the term "eligible Vietnam veteran" in the proposed section 1683A(f)(1)(A) of S. 1918, by changing the service requirements. The amendment would extend the period of service necessary to qualify as an "eligible Vietnam veteran" by requiring that he have at least 181 days of active duty, rather than 180 days as presently set forth in S. 1918. It would eliminate, however, the requirement in the original proposed section 1683A(f)(1)(A), that this service must have been performed in the Indochina theater of operations. This change would broaden the class of eligibles and ultimately increase the total number of veterans entitled to benefits.

The amendment would also add a new subsection (g) to the proposed section 1683A, which would extend the maximum period of entitlement of educational assistance or subsistence allowance under the specialized provisions of 1683A for Vietnam veterans to 48 months, instead of the 36-month maximum entitlement limitation currently contained in this law (section 1661(c)).

Further, amendment No. 584 would redesignate the present proposed subsection (c) of section 1683A of S. 1918 as subsection (1), and add a new subsection (2) which would require the Administrator of Veterans' Affairs, at the beginning of each fiscal year, to adjust the rates of monthly subsistence allowance payable so as to reflect changes in the cost of living as determined by the Bureau of Labor Statistics Consumer Price Index.

One effect of extending eligibility to all Vietnam era veterans, rather than only those with service in the Indochina theater, would be to increase the number of trainees affected by the ceiling on combined earnings and allowances to approximate 1 million in the first full fiscal year. Almost 300,000 of these would probably have their subsistence allowance reduced (in some cases canceled) by the ceiling.

While a 48-month educational benefit entitlement period was extended to veterans under the World War II GI bill, a House Select

Committee study in 1950 resulted in the establishment of a 36-month maximum entitlement period in the Korean GI bill, and this limitation has been carried forward to the current law. It was found by the House Select Committee, during the course of its study, that 36 months of entitlement provided sufficient educational time to permit a veteran to complete a vocational program or to complete a 4-year college program to obtain a bachelor's degree. In addition, existing law affords entitlement to receive assistance beyond the 36 months of entitlement by making provision for those who are educationally disadvantaged, or those who need to undertake deficiency courses to pursue higher education without charge to their entitlement.

The proposal to associate benefit rates to the Bureau of Labor Statistics Consumer Price Index and to make yearly automatic adjustments to those rates are without precedence in veterans benefits programs and should be carefully weighed before being embodied in legislation. We must, however, point out that the adjustment of this proposal would be discriminatory—relating not only to one program but to one part of that program. This proposal would only relate to benefits payable under chapter 34 to Vietnam veterans. Chapters 31 and 35 beneficiaries—those veterans in need of vocational rehabilitation for service incurred disabilities, and widows and orphans—would not receive such increases.

The cost estimates set forth below reflect total costs of S. 1918 incorporating the proposed changes of amendment No. 584.

Our estimates of the increase in direct benefits cost (for the rate increases and tuition payment) are based upon the increase which might occur for persons already expected to be in training. To the extent that additional trainees are attracted by these higher benefits, the entire cost of their training represents additional cost. Rather than attempt to estimate the number of such additional trainees, we have estimated the total direct benefits cost per 10,000 additional trainees. In the first full fiscal year this cost approximates $24 million.

Additional administrative cost atributable to the ceiling provision of this bill might approximate $0.8 million in the first full fiscal year.

Our estimate of additional direct benefits cost does not reflect the additional cost which might occur because of increases in the cost of living. We are not in a position to predict such increases. As a guideline, however, the estimated cost for a 3-percent increase occurring after the proposed rate increases go into effect would approximate an annual cost of $3.5 million per 100,000 trainees. Subsequent cost-of-living increases would be compounded.

Direct benefits cost increases due to allowance rate increases, tuition payments and additional entitlement are shown in attachment A. These costs are summarized as follows:

Direct benefits cost[1]

Fiscal year:	*Millions*
1st (½ year)	$512.9
2d	1,170.2
3d	1,254.2
4th	1,179.4
5th	1,178.3
Total 5 years	5,295.0

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[1] Excludes cost due to additional trainees and cost due to cost of living increases.

In view of the foregoing, the Veterans' Administration recommends against favorable consideration of amendment No. 584 to S. 1918.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

Donald E. Johnson, *Administrator.*

ADDITIONAL DIRECT BENEFITS COST OF S. 1918 AS AMENDED (AMENDMENT 584)

		Rate increase				Tuition		Extended entitlement	
			(Cost millions)						
Fiscal year	Total cost	Individuals [1]	Total	School	OJT	Individuals	(Cost millions)	Individuals	(Cost millions)
1 [2]	$512.9	939,000	$156.6	$93.1	$63.5	758,000	$342.8	42,000	$13.5
2	1,170.2	1,034,000	360.2	199.6	160.6	807.000	779.5	48,000	30.5
3	1,254.2	1,069,000	377.5	203.8	173.7	825,000	845.4	49,000	31.3
4	1,179.4	979,000	347.4	185.8	161.6	743,000	805.3	42,000	26.7
5	1,178.3	939,000	337.8	179.1	158.7	709,000	813.8	42,000	26.7
Total	5,295.0		1,579.5	861.4	718.1		3,586.8		128.7

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[1] Individuals receiving tuition benefits are included in the number receiving rate increases.

[2] In the 1st fiscal year, data on individuals apply to the entire year, while cost figures are only ½ as great as they would have been for the entire year.

[No. 79A]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., December 20, 1971.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your requests of May 24 and November 19, 1971, for the views of this Office on S. 1918, a bill to amend chapter 34 of title 38, United States Code, to provide additional educational benefits to veterans who have served in the Indochina theater of operations during the Vietnam era.

In its report to your committee, the Veterans' Administration explained its reasons for recommending against enactment of S. 1918. The VA recommended instead that your committee adopt the provisions of a draft bill transmitted to the Senate on November 30 entitled the "Veterans' Education and Training Amendments of 1971."

We concur in the views of the VA and, accordingly, recommend enactment of the VA proposal entitled "Veterans' Education and Training Amendments of 1971," in lieu of S. 1918. Enactment of the proposed legislation would be consistent with the objectives of the administration.

Sincerely,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

92d CONGRESS
1st Session

S. 2063

IN THE SENATE OF THE UNITED STATES

June 15, 1971

Mr. Griffin introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

---

A BILL

To amend title 38, United States Code, in order to authorize the Administrator of Veterans Affairs to make advance educational assistance payments to veterans accepted for enrollment at colleges and universities, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsections (d) and (e) of section 1681 of title 38, United States Code, are amended to read as follows:

"(d) The Administrator shall, except as provided in subsection (e) of this section, pay the initial educational assistance allowance of an enrollment period to an eligible veteran in an amount not to exceed the educational assistance allowance for the month or fraction thereof in which pursuit of the program will commence, plus the educational assistance allowance for one full month, upon receipt of proof that the eligible veteran has been accepted for enrollment in an approved educational institution on a half-time or more basis. Such payment shall not be made earlier than the first day of the month in which pursuit of the program is to commence. Subsequent payments of educational assistance allowance shall be made each month in advance, subject to such reports and proof of satisfactory pursuit of such program as the Administrator may require. The Administrator may withhold the final payment of an enrollment period until such proof is received and the amount appropriately adjusted. If the eligible veteran fails to enroll in the course after receiving the initial payment of the educational assistance allowance, the amount of such advance payment may be recovered from any benefit otherwise due the veteran under any law administered by the Veterans' Administration or such overpayment shall constitute a liability of such eligible veteran and may be recovered in the same manner as any other debt due the United States.

"(c) No educational assistance allowance shall be paid to an eligible veteran enrolled in a program of education consisting exclusively of flight training or exclusively by correspondence for any period until the Administrator shall have received—

"(1) from the eligible veteran a certification as to his actual attendance during such period or, where the program is pursued by correspondence, a certificate as to the number of lessons actually completed by the veteran and serviced by the institution, and

"(2) from the educational institution, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education during such period and, in the case of an institution furnishing education to a veteran exclusively by correspondence, a certificate, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution."

SEC. 2. This Act shall become effective on the first day of the second calendar month following the month in which enacted, but no advance payment of the educational assistance allowance authorized under this Act shall be obligated or paid prior to the fiscal year in which the first full month of the period of enrollment occurs.

[No. 15A]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., July 2, 1971.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request of June 21, 1971 for the views of this Office on S. 2063, a bill to amend title 38, United States Code, in order to authorize the Administrator of Veterans' Affairs to make advance educational assistance payments to veterans accepted for enrollment at colleges and universities, and for other purposes.

S. 2063 is identical to draft legislation submitted by the Administrator of Veterans' Affairs to implement the recommendation contained in the President's message of January 26, 1971. In that message the President stated:

> "Under the GI Bill, the monthly allowances received by veterans begin only after they have enrolled and completed at least a month of their education or training. This deferral of payment often deters veterans from taking training or additional schooling because they lack the initial funds to meet tuition and living expenses.
>
> "This legislation would enable the Veterans' Administration to make advance payments to veterans as soon as they submit evidence they have registered. This will provide them with funds when their need for funds is most pressing."

Accordingly, we strongly support enactment of S. 2063 which would be in accord with the program of the President.

Sincerely,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

[No. 1]

COMMITTEE ON VETERANS' AFFAIRS, UNITED STATES SENATE

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., January 26, 1971.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft bill "To amend title 38, United States Code, in order to authorize the Administrator to make advance educational assistance payments to certain veterans."

The draft bill would authorize the Administrator to make an initial advance payment of the educational assistance allowance granted under chapter 34 of title 38, United States Code, to veterans enrolled in an educational institution half-time or more, plus the allowance for one full month, upon receipt of proof that the eligible veteran has been accepted for enrollment in an approved educational institution. Such payment would be made not earlier than the first of the month in which pursuit of the program is to commence. Thereafter, payments would continue to be made in advance at the beginning of each month in which the veteran pursues his program of education.

The veteran who enrolls in institutional training must make arrangements for the payment of his tuition either prior to commencement of classes or shortly thereafter. The amount which he is required to pay often will deter the veteran from entering training because his initial outlay will drain off his available funds.

Under existing law, the veteran can receive only a partial month payment of his Veterans' Administration educational assistance allowance after he has completed his first calendar month of training. This payment is received after the necessary enrollment data has been submitted by the school and processed by the Veterans' Administration. By authorizing the advance payment when he has been accepted for enrollment, he can be provided with funds to meet initial tuition and ongoing subsistence needs.

Administrative control over the propriety of such payment is provided for by authorizing the Administrator to withhold final payment of an enrollment period until proof of satisfactory pursuit of the program is furnished.

Certification requirements for the pursuit of flight training and correspondence courses would be retained.

The draft bill would carry out the recommendation of the President in his message of this date on measures not enacted during the 91st Congress. An advance payment proposal was included among the recommendations contained in the March 1970 report of the President's Committee on the Vietnam Veteran and was incorporated in draft legislation submitted to Congress last year.

We believe that the measure will serve a threefold purpose. It will aid the veteran by providing him with the monetary allowance at the time of his greatest need; it will be helpful to the Veterans' Administration by simplifying procedures for making the initial payment of the educational assistance allowance at the time school enrollments are at their peak; and it will remove much of the pressure from educational institutions in meeting enrollment certification requirements.

It is estimated that enactment of the draft legislation would result in increased outlays in fiscal year 1972 of $55 million.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this proposed legislation, and that its enactment would be in accord with the program of the President.

Sincerely,

DONALD E. JOHNSON,
Administrator.

92D CONGRESS
1ST SESSION

S. 2091

IN THE SENATE OF THE UNITED STATES

JUNE 17, 1971

Mr. CRANSTON (for himself and Mr. HARTKE) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

---

A BILL

To provide additional readjustment assistance to veterans by providing improved job counseling, training, and placement service for veterans; by providing an employment preference for disabled veterans and veterans of the Vietnam era under contracts entered into by departments and agencies of the Federal Government for the procurement of goods and services; by providing for an action program within the departments and agencies of the Federal Government for the employment of disabled veterans and veterans of the Vietnam era; by providing a minimum amount that may be paid to ex-servicemen under the unemployment compensation law; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

II

That this Act may be cited as the "Veterans' Employment and Readjustment Act of 1971".

JOB COUNSELING, TRAINING, AND PLACEMENT SERVICE

SEC. 2. (a) Chapter 41 of title 38, United States Code, is amended to read as follows:

"Chapter 41.—JOB COUNSELING, TRAINING, AND PLACEMENT SERVICE FOR VETERANS

"Sec.
"2001. Definitions.
"2002. Purpose.
"2003. Assignment of veterans' employment representative.
"2004. Employees of local offices.
"2005. Cooperation of Federal agencies.
"2006. Estimate of funds for administration; authorization of appropriations.
"2007. Administrative controls; annual report.
"2008. Cooperation and coordination with the Veterans' Administration.

"§ 2001. Definitions

"For the purposes of this chapter—

"(1) the term 'eligible veteran' means a person who served in the active military, naval or air service during any war or after January 31, 1955, and who was discharged or released therefrom with other than a dishonorable discharge; and

"(2) the term 'State' means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, and may include, to the extent determined necessary and feasible, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"§ 2002. Purpose

"The Congress declares as its intent and purpose that there shall be an effective (1) job and job training counseling service program, (2) employment placement service program, and (3) job training placement service program for eligible veterans and that, to this end, policies shall be promulgated and administered, so as to provide such veterans the maximum of employment and training opportunities.

"§ 2003. Assignment of veterans' employment representative

"The Secretary of Labor shall assign to each State a veterans' employment representative, and such assistant veterans' employment representatives as he shall determine, based on the data collected pursuant to section 2007 of this title, to be necessary to assist the veterans' employment representative to carry out effectively in that State the purposes of his chapter. Each veterans' employment representative and assistant veterans' employment representative shall be an eligible veteran who at the time of appointment shall have been a bona fide resident of the State for at least two years and who shall be appointed in accordance with the provisions of title 5, United States Code, governing appointments in competitive service and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and general schedule pay rates. Each such veterans' employment representative and assistant veterans' employment representative shall be attached to the staff of the public employment service in the State to which they have been assigned. They shall be administratively responsible to the Secretary of Labor for the execution of the Secretary's veterans' counseling and placement policies through the public employment service and in cooperation with manpower and training programs administered by the Secretary in the State. In cooperation with the public employment service staff and the staffs of each such other program in the State, the veterans' employment representative and his assistants shall—

"(1) be functionally responsible for the supervision of the registration of eligible veterans in local employment offices for suitable types of employment and training and for counseling and placement of eligible veterans in employment and job training programs;

"(2) engage in job development and job advancement activities for eligible veterans, including maximum coordination with appropriate officials of the Veterans' Administration in that agency's carrying out of its responsibilities under subchapter IV of chapter 3 of this title and in the conduct of job fairs, job marts, and other special programs to match eligible veterans with appropriate job and job training opportunities;

"(3) assist in securing and maintaining current information as to the various types of available employment and training opportunities, including maximum use of electronic data processing and telecommunications systems and the matching of an eligible veterans' particular qualifications with an available job or on-the-job training or apprenticeship opportunity which is commensurate with those qualifications;

"(4) promote the interest of employers and labor unions in employing eligible veterans and in conducting on-job training and apprenticeship programs for such veterans;

"(5) maintain regular contact with employers, labor unions, and training programs and veterans' organizations with a view to keeping them advised of eligible veterans available for employment and training and to keeping eligible veterans advised of opportunities for employment and training; and

"(6) assist in every possible way in improving working conditions and the advancement of employment of eligible veterans.

"§ 2004. Employees of local offices

"Except as may be determined by the Secretary of Labor based on a demonstrated lack of need for such services, there shall be assigned by the administrative head of the employment service in each State one or more employees, preferably eligible veterans, on the staffs of local employment service offices, whose services shall be fully devoted to discharging the duties prescribed for the veterans' employment representative and his assistants.

"§ 2005. Cooperation of Federal agencies

"All Federal agencies ~~shall~~ furnish the Secretary of Labor such records, statistics, or information as he may deem necessary or appropriate in administering the provisions of this chapter, and shall otherwise cooperate with the Secretary in providing continuous employment and training opportunities for eligible veterans.

"§ 2006. Estimate of funds for administration; authorization of appropriations

"(a) The Secretary of Labor shall estimate the funds necessary for the proper and efficient administration of this chapter. Such estimated sums shall include the annual amounts necessary for salaries, rents, printing and binding, travel, and communications. Sums thus estimated shall be included as a special item in the annual budget for the Department of Labor.

"(b) There are hereby authorized to be appropriated such sums as the Congress shall determine to be necessary for the proper and efficient administration of this chapter.

"(c) In the event that the regular appropriations Act making appropriations for administrative expenses for the Department of Labor with respect to any fiscal year does not specify an amount for the purposes specified in subsection (b) of this section for that fiscal year, then of the amounts appropriated in such Act there shall be available only for the purposes specified in subsection (b) of this section such amount as was set forth in the budget estimate required pursuant to subsection (a).

"(d) Any funds made available pursuant to subsections (b) and (c) of this section shall not be available for any purpose other than those specified in such subsections, except with the approval of the Secretary based on a demonstrated lack of need for such funds for such purposes.

"§ 2007. Administrative controls; annual reports

"(a) The Secretary of Labor shall establish administrative controls for the following purposes:

"(1) To insure that each eligible veteran, especially those veterans who have been recently discharged or released from active duty, who requests assistance under this chapter shall promptly be placed in a satisfactory job or job training opportunity or receive some other specific form of assistance designed to enhance his employment prospects substantially, such as individual job development or employment counseling service.

"(2) To determine whether or not the employment service agencies in each State have committed the necessary staff to insure that the provisions of this chapter are carried out; and to arrange for necessary corrective action where staff resources have been determined by the Secretary to be inadequate.

"(b) The Secretary of Labor shall report annually to the Congress on the success of the Department of Labor and its affiliated State employment service agencies in carrying out the provisions of this chapter. The report shall include, by State, the number of recently discharged or released eligible veterans and other eligible veterans who requested assistance through the public employment service and, of these, the number placed in suitable employment or job training opportunities or who were otherwise assisted, with separate reference to occupational training under appropriate Federal law. The report shall also include any determination by the Secretary under section 2004 or 2005 of this title and a statement of the reasons for such determination.

"§ 2008. Cooperation and coordination with the Veterans' Administration

"In carrying out his responsibilities under this chapter, the Secretary of Labor shall from time to time consult with the Administrator and keep him fully advised of activities carried out and data gathered pursuant to this chapter to insure maximum cooperation and coordination between the

Department of Labor and the Veterans' Administration."

(b) The table of chapters at the beginning of title 38, United States Code, is amended by striking out

"41. Job Counseling and Employment Placement Service for Veterans .... 2001"

and inserting

"41. Job Counseling, Training, and Placement Service for Veterans .... 2001".

(c) The table of chapters at the beginning of part III of title 38, United States Code, is amended by striking out

"41. Job Counseling and Employment Placement Service for Veterans .... 2001"

and inserting in lieu thereof

"41. Job Counseling, Training, and Placement Service for Veterans .... 2001".

(d) The amendments made by this section shall become effective ninety days after the enactment of this Act.

READJUSTMENT COUNSELING

SEC. 3. (a) Subchapter II of chapter 17 of title 18, United States Code, is amended by adding after section 612 a new section as follows:

"§ 612A. Eligibility for readjustment medical counseling

"The Administrator, within the limits of the Veterans' Administration facilities, shall furnish readjustment medical counseling and appropriate followup care and treatment under this subchapter to any person who served in the active military, naval or air service during the Vietnam era and

was discharged or released therefrom with other than a dishonorable discharge and who requests such counseling in order to assist such veteran in readjusting to civilian life following his discharge or release from the Armed Forces. The Administrator, in cooperation with the Secretary of Defense, shall take appropriate action, as provided in section 241 of this title, to insure that all veterans eligible for assistance under this section are advised of their eligibility for such assistance and are encouraged to take full advantage thereof.”

(b) The table of sections at the beginning of chapter 17 of title 38, United States Code, is amended by adding immediately below

“612. Eligibility for medical treatment.”

the following:

“612A. Eligibility for readjustment medical assistance.”

VETERANS’ EMPLOYMENT PREFERENCE UNDER FEDERAL CONTRACTS

SEC. 4. (a) Any contract entered into by any department or agency for the purchase of goods or services for the Federal Government shall contain a provision requiring that, in employing persons to carry out such contract, the party contracting with the United States shall give a preference to disabled veterans and to veterans of the Vietnam era. The provisions of this section shall apply to any sub-contract entered into by a prime contractor in carrying out any contract for the furnishing of goods or services to the United States. A contractor or subcontractor shall be required to give an employment preference to a veteran under this section for any job only if the veteran otherwise meets the qualification for such job. The President shall implement the provisions of this section by promulgating regulations within sixty days after the date of enactment of this Act.

(b) If any disabled veterans or veteran of the Vietnam era believes any contractor has failed or refuses to comply with the provisions of his contract with the United States, relating to granting employment preferences to veterans, such veteran may file a complaint with the Veterans' Employment Service of the Department of Labor. Such complaint shall be promptly referred by such service to the Office of Federal Contract Compliance of that Department. That office shall promptly investigate such complaint and shall take such action thereon as the facts and circumstances warrant consistent with the terms of such contract and the laws and regulations applicable thereto.

(c) As used in this section—

(1) The term "disabled veteran" means any veteran entitled to disability compensation under laws administered by the Veterans' Administration or a veteran whose discharge or release from the active military, naval, or air

service was for a disability incurred or aggravated in line of duty.

(2) The term "veteran of the Vietnam era" means any veteran who (A) served on active duty for a period of more than 180 days, any part of which occurred during the Vietnam era, and was discharged or released therefrom with other than a dishonorable discharge, or (B) was discharged or released from active duty for a service-connected disability if any part of such active duty was performed during the Vietnam era.

(3) The term "department or agency" means any department or agency of the Federal Government and any Federally owned corporation.

ACTION PLAN FOR THE FEDERAL EMPLOYMENT OF DISABLED AND VIETNAM ERA VETERANS

SEC. 5. (a) Part III of title 38, United States Code, is amended by adding at the end thereof a new chapter as follows:

"Chapter 42.—EMPLOYMENT OF DISABLED AND VIETNAM ERA VETERANS.

"Sec.
"2011. Definitions.
"2012. Action plan for employment of disabled and Vietnam era veterans.

"§ 2011. Definitions

"As used in this chapter—

"(1) The term 'disabled veteran' means any veteran entitled to disability compensation under laws administered by the Veterans' Administration or a veteran whose discharge or release from the active military, naval, or air service was for a disability incurred or aggravated in line of duty.

"(2) The term 'veteran of the Vietnam era' means any veteran who (A) served on active duty for a period of more than 180 days, any part of which occurred during the Vietnam era, and was discharged or released therefrom with other than a dishonorable discharge, or (B) was discharged or released from active duty for a service-connected disability if any part of such active duty was performed during the Vietnam era.

"(3) The term 'department and agency' means any department or agency of the Federal Government and any Federally owned corporation.

"§ 2012. Action plans for employment of disabled and Vietnam era veterans

"(a) The Administrator, in consultation with the Secretary of Labor and the Civil Service Commission, shall establish an affirmative action plan providing for the preferential employment of disabled veterans and veterans of the Vietnam era by every department and agency. Such action plan shall be promulgated within 90 days after the date of enactment of this section and shall be published in the Federal Register.

"(b) Each department and agency shall be responsible for implementing the action plan promulgated under subsection (a) of this section and shall, within sixty days after the promulgation of such plan, issue such rules and regulations, adopt such procedures and policies, and make such exemptions and exceptions as may be consistent with law and necessary or appropriate to effectuate such action plan. Each department and agency shall consult with the Administrator in order to achieve such consistency and uniformity as may be feasible.

"(c) Each department and agency shall submit a report to the President each year on or before March 30 indicating the extent to which the action plan referred to in subsection (a) of this section has been implemented by such department or agency during the immediately preceding calendar year. The President shall submit a report to the Congress each year on or before May 1 indicating the extent to which such action plan has been successful during such calendar year. The President shall include in such report statistics showing the extent to which each department and agency has complied with such action plan during the preceding calendar year."

(b) The table of chapters at the beginning of title 38, United States Code, is amended by adding at the end thereof a new item as follows:

"42. Employment of Disabled and Vietnam Era Veterans........ 2011".

(c) The table of chapters at the beginning of Part III of title 38, United States Code, is amended by adding at the end thereof the following new item:

"42. Employment of Disabled and Vietnam Era Veterans........ 2011".

UNEMPLOYMENT COMPENSATION FOR EX-SERVICEMEN

SEC. 6. (a) Paragraph (2) of section 8521(a) of title 5, United States Code, is amended by striking out the semicolon at the end of such paragraph and inserting in lieu thereof a comma and the following: "but in specifying the pay and allowances for servicemen in pay grades of E–5 and under, the Secretary of Labor shall increase by $100 the monthly pay and allowances which would otherwise be specified for each such pay grade;".

(b) Subchapter II of chapter 85 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 8526. Authority to draw against funds for succeeding fiscal year

"Notwithstanding any other provision of law, if after December 31 of any fiscal year the Secretary of Labor determines that insufficient funds have been appropriated for the payment of unemployment compensation to ex-servicemen under this chapter, he is authorized to draw against the funds appropriated for such purpose for the succeeding fiscal year to the extent necessary to make timely payments of unemployment compensation to ex-servicemen required by this chapter."

(c) The table of sections at the beginning of chapter 85 of title 38, United States Code, is amended by adding at the end thereof the following:

"8526. Authority to draw against funds for succeeding fiscal year."

(d) The amendments made by this section shall become effective on the first day of the first calendar month which begins after the date of enactment of this Act.

ELIGIBILITY REQUIREMENTS FOR VETERANS UNDER CERTAIN FEDERAL PROGRAMS

SEC. 7. Any amounts received as pay or allowances by any person while serving on active duty in the military, naval or air service of the United States, and any period of time during which such person served on such active duty, and any amounts received under chapter 11, 13, 31, 34, or 35 of title 38, United States Code, by a veteran of any war (as defined in section 101 (12) of title 38, United States Code) who served on active duty for a period of more than 180 days or was discharged or released from active duty for a service-connected disability, and any amounts received by an eligible person under chapters 13 and 35 of such title, shall be disregarded in determining the needs or qualifications of participants in any public service employment program, any emergency employment program, any job training program assisted under the Economic Opportunity Act of 1964, any manpower training program assisted under the Manpower Development and Training Act of 1962, or any other manpower training (or related) program financed in whole or in part with Federal funds.

FUNDS FOR THE VETERANS OUTREACH SERVICES PROGRAM FOR FISCAL YEAR 1972

SEC. 8. Notwithstanding any other provision of law, in addition to the sum of $17,295,000 appropriated to the Veterans' Administration for general operating expenses for carrying out, during the fiscal year ending June 30, 1972, the Veterans Outreach Services Program, provided for under subchapter IV of chapter 3 of title 38, United States Code, there is hereby reserved out of the funds appropriated to the Veterans' Administration for general operating expenses the additional sum of $12,539,000 for carrying out the Veterans Outreach Services Program during such fiscal year.

REDUCED AIR FARES FOR CERTAIN VETERANS

SEC. 9. The last sentence of section 403 (b) of the Federal Aviation Act of 1958 is amended by inserting immediately before "ministers of religion" the following: "persons who served in the active military, naval or air service and were released or discharged therefrom on or after August 5, 1964, with other than a dishonorable discharge for a period of one year following the date of such release or discharge and to".

[No. 40]

COMMITTEE ON VETERANS' AFFAIRS, UNITED STATES SENATE

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., September 27, 1971.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
United States Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your recent request for a report on S. 2091, 92d Congress.

The proposal seeks to provide a coordinated governmental effort at reintegrating returning Vietnam veterans into the existing labor market on a parity basis by expanding existing job counseling, training, and placement services and programs; by requiring that provision be made in Government procurement contracts for employment preferences for veterans; and for the development of a coordinated Federal employment preference system. The bill would result in increased unemployment compensation benefits, and in addition also contains a provision for reduced air fare for veterans for a period of 1 year after their release from the military service subsequent to August 5, 1964.

Generally speaking, the implementation of S. 2091, if enacted, would principally involve the Department of Labor and the Civil Service Commission; and to a lesser extent the Civil Aeronautics Board. We will confine our comments to those provisions of the proposal which relate to the programs and activities of the Veterans' Administration. We would defer to the views of the Department of Labor on sections 2, 4, 6, and 7; to the Civil Service Commission on section 5; and to the Civil Aeronautics Board on section 9.

Section 3 would add a new section, 612A, to title 38, United States Code, entitled "Eligibility for readjustment medical counseling." This proposed section authorizes the Administrator of Veterans' Affairs, within the limits of VA's facilities, to furnish "readjustment medical counseling" and appropriate follow-up care and treatment to any person who served during the Vietnam era and who requests such counseling in order to assist his readjustment to civilian life. The bill further provides for the Administrator to take appropriate action to insure that all veterans eligible for such assistance are advised of their entitlement for such assistance and that they be encouraged to take full advantage of it.

The term "readjustment medical counseling" is not defined in the bill and its meaning accordingly is not without some uncertainty. Currently, the Department of Medicine and Surgery provides necessary medical care in varying degrees to veterans, upon request and as needed, depending on the origin of the condition or disability to be treated. As a part of that medical service veterans in need of rehabilitation are now provided such rehabilitation as is deemed necessary.

Accordingly, we are now providing adequate "readjustment medical counseling", and the proposed change would, therefore, appear to be unnecessary. We assume the language of this section of the bill, which would authorize "appropriate follow-up care and treatment" is not intended to change the presently applicable criteria for eligibility for VA hospital care and medical services. We would not favor a change in such criteria which would extend VA hospital care and medical services to any Vietnam era veteran, not otherwise eligible, merely because he requests "medical counseling."

In addition, under existing law, the Veterans' Administration is authorized to provide counseling to veterans eligible for vocational rehabilitation under chapter 31 of title 38, United States Code, and for education and training under chapter 34 of the same title.

Section 5 of the bill would establish a new chapter 42 of title 38, United States Code, charging the Administrator of Veterans' Affairs, in consultation with the Secretary of Labor and the Civil Service Commission, with the responsibility of developing a system of preferences for the employment of disabled and Vietnam veterans in all departments and agencies of the Federal Government. However, it should be borne in mind that the Civil Service Commission is the central agency responsible for the personnel management and employment practices in the Federal Government. It would appear, therefore, that the above provisions should be more properly considered as an amendment to title 5, in the same manner as is contained in section 2108 of the title. The Chairman of the Civil Service Commission would then be delegated the responsibility of developing the action plan, in consultation with the Administrator of Veterans' Affairs and the Secretary of Labor. In this event, we would defer to the Civil Service Commission concerning the appropriateness and effect of the proposed legislation.

Section 8 would earmark in addition to the sum of $17,295,000 already allocated in the general operating expenses of the VA for fiscal year 1972, the further sum of $12,539,000 as a funded reserve out of the general operating appropriation to the Veterans' Administration for carrying out the veterans outreach services program during the fiscal year. Such a diversion of funds could not be accomplished without doing a serious handicap to the VA's ability to provide other authorized services to the veteran population. This would affect the timeliness of VA action on claims for compensation and other benefits, including applications for educational benefits, the issuance of guarantees for home mortgage financing, and the efficient processing of death awards for insurance claims. It would appear that the restriction imposed would be self-defeating because it would eliminate the very efficiency of service to the veteran that the outreach program seeks to provide. This disruption, moreover, seems unnecessary when we consider the provision in the President's 1972 budget for expanded contact funds to finance an array of increased contact services to veterans, including U.S. Veterans Assistance Centers, leased telephone circuits, special mailings, and educational and job counseling teams.

It must be observed that the bill establishes a totally different standard of eligibility for benefits with regard to the type of discharge from service from that heretofore prescribed by veterans legislation. The benefits of this bill are applicable to a veteran who was discharged or released therefrom with other than a dishonorable discharge. The definition would, for the first time, extend benefits to a person who is now barred under sections 101(2) and 3103 of title 38, United States Code, because discharge from service was not under conditions other than dishonorable. We cannot support a position which would extend to persons to whom benefits have been barred because of the nature of their discharge from service those benefits which have been historically reserved to those who honorably acquitted themselves in the defense of the Nation.

There are two printer's errors in the bill. In section 3 (page 9, line 11) we believe the reference to "title 18" should be "title 38." Also in section 6(c) (page 16, line 7) the reference to "title 38" should read "title 5" of the United States Code.

Also, in order to standardize and coordinate the terminology in section 4 of the proposal relating to employment preference under Federal contracts with the Federal Procurement Regulations system we would suggest that wherever reference is made in the bill to "purchase or furnishing of goods or services" there be substituted the phrase "procurement of personal property and nonpersonal services (including construction)", which language is used in the Federal Procurement Regulations.

It is not possible at this time to make a precise determination as to the cost effects of the proposal insofar as the Veterans' Administration is concerned. For the reason that we are not clear as to the precise services to be rendered in the readjustment medical counseling provisions of section 3, we have no sound basis upon which to predicate an estimate of what additional services may be provided or the costs thereof. As to the employment preference in contracts set forth in section 4, except for some minor initial administrative costs to revise the existing Veterans' Administration procurement regulations, the implementation of that section should not result in any excessive costs to the Veterans' Administration, unless the responsibility for investigation is delegated to the contracting agencies. Such delegation could result in a need for an additional 2 or more man-years. Nor would there be a cost factor involved in the Federal employment preference provisions set forth in section 5 except for publication and administration. In regard to the other provisions we, of course, must defer to the Department of Labor, the Civil Aeronautics Board, and such other agencies as would play a role in the implementation of S. 2091, if enacted.

In summary, for the reasons stated, we recommend against favorable consideration of sections 3 and 8 of S. 2091; nor can we favorably recommend the extension of any benefits on the basis of the standard of eligibility with regard to the nature of discharge prescribed by this proposal, since it represents such a radical departure from existing eligibility criteria for veterans' benefits. We believe section 5 should be more properly for administration by the Civil Service Commission. With regard to the other provisions, we defer to the views of the Department of Labor and the Civil Aeronautics Board, and any other agency concerned with the merits of those portions of the bill.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

DONALD E. JOHNSON, *Administrator.*

[No. 53]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., November 9, 1971.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request of June 24, 1971, for the views of this office on S. 2091, the Veterans' Employment and Readjustment Act of 1971.

In recent testimony before your committee, the Veterans' Administration and the Department of Labor have presented the administration's position on this bill. The Civil Service Commission and the General Services Administration in reports to the committee, have also indicated certain objections.

Accordingly, we concur with these agency views, and recommend against enactment of S. 2091.

Sincerely,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

[No. 51]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

U. S. Civil Service Commission,
Washington, D.C., November 9, 1971.

Hon. Vance Hartke,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

Dear Mr. Chairman: This is a further reply to your request for the views of the Civil Service Commission on S. 2091, a bill to provide additional readjustment assistance to veterans by providing improved job counseling training, and placement service for veterans; by providing an employment preference for disabled veterans and veterans of the Vietnam era under contracts entered into by departments and agencies of the Federal Government for the procurement of goods and services; by providing for an action program within the departments and agencies of the Federal Government for the employment of disabled veterans and veterans of the Vietnam era; by providing a minimum amount that may be paid to ex-servicemen under the unemployment compensation law; and for other purposes.

The Commission's comments will be limited to those parts of the bill which are of direct concern to us.

Section 5 of the bill would create a new chapter in title 38 of the United States Code to authorize the Administrator of Veterans' Affairs, in consultation with the Secretary of Labor and the Civil Service Commission, to establish an affirmative action plan providing for the preferential employment of disabled veterans and veterans of the Vietnam era by every department and agency of the Federal Government.

As the central personnel agency for the Federal Government, the Civil Service Commission is charged with the responsibility of administering laws governing employment in departments and agencies of the Federal Government, including laws which give preference to veterans in such employment. These laws are codified into title 5 of the United States Code. We see no justification for giving the Administrator of Veterans' Affairs an authority under title 38 which would conflict with the authorities already held by the Commission under the provisions of title 5. We object, therefore, to the proposal in section 5 to give this authority to the Administrator of Veterans' Affairs.

The Commission strongly agrees, in principle, with the objectives of this legislation to give an extra measure of assistance to disabled veterans and veterans of the Vietnam era. We recognize that veterans have the greatest need of special assistance during the time following their discharge from service when they face their most serious problem in making the transition from military to civilian life. We question, however, whether the additional legislative authority proposed in section 5 of the bill to give preferential treatment in Federal employment to these veterans is neeeded or desirable at this time. There are now in operation under existing law and regulation positive action programs that give extra consideration to disabled veterans and Vietnam era veterans, over and above that provided for veterans as a group.

Under the veteran preference laws in title 5 of the United States Code, all veterans have extra points added to their passing scores on civil service examination, which places them higher on lists of eligibles and gives them earlier consideration for selection than those below them on the lists. Appointing officers may not pass over an eligible veteran to select a nonveteran without prior approval of the Civil Service Commission. In addition, existing law restricts certain positions to veterans as long as they are available.

The disabled veterans who are covered by the bill already receive extra preference in Federal employment. They get 10 points added to their passing examination score (as compared with 5 points for the nondisabled veterans), and compensably disabled veterans are put at the very top of most lists of eligibles for appointments to Federal positions. Disabled veterans may also have the added advantage of qualifying for special assistance under the Government's substantial action programs for hiring the handicapped.

Th employment problems of the Vietnam era veteran are, and have been, of special concern to the Federal Government as an employer, and efforts are constantly being made to improve the positive action programs provided to meet their employment needs. The keen interest of the executive branch in establishing programs of special assistance to these veterans in obtaining Federal employment is exemplified by the transitional appointment system inauguarated by executive order in 1968. This permitted newly discharged Vietnam era veterans to get jobs in all Federal agencies up to the grade 5 level "noncompetitively," that is, without competition with those on civil service lists of eligibles. In 1970 that system was further expanded by an executive order which established the veterans' readjustment appointment authority and gave even higher priority to positive placement of Vietnam era veterans in Federal agencies. It is pertinent to point out that almost three-fourths of the new hires by the Federal Government are in grade 5 and below, the levels covered by the current veterans' readjustment appointment program.

To tell veterans about job opportunities and their preference, the Commission has special counseling, job assistance, and job information programs for veterans in our 65 area offices and in cooperation with U.S. Veterans' Assistance Center, military separation centers, Department of Defense transition centers, the Jobs for Veterans program, and veterans organizations. There is a veterans' Federal employment representative in each of our 10 regional offices whose major responsibility is to see that our programs for the employment of veterans are carried out effectively. The Commission also cooperates with the Department of Labor in providing information about Federal job openings for listing with the U.S. Employment Service to help carry out the President's objective of giving veterans preference in job referrals through the U.S. Employment Service system.

Through these programs and their preference, veterans now make up about half the total Federal work force and about two-thirds the male work force. In 1970, agencies hired almost 67,000 veterans, of whom we estimate 32,400 were Vietnam-era veterans. About 3,200 of the 1970 appointments were under the veterans' readjustment appointment authority, and present trends indicate that the figure may well reach 10,00 this year.

In light of the foregoing, the Commission feels that the objectives of section 5 are already being met in that there are by law and by administrative action positive and dynamic programs giving preference to disabled veterans and Vietnam era veterans in Federal employment. We see no need or justification for additional legislation in this area at this time.

We further object to the definitions of a "disabled veteran" and "veteran of the Vietnam era" as contained in section 5. Section 2108(2) of title 5 of the United States Code defines a disabled veteran for Federal employment purposes, and this definition should continue to apply to all Federal employment.

The Commission strongly objects to the definition of a "veteran of the Vietnam era" as any veteran who (A) served on active duty for a period more than 180 days, any part of which occurred during the Vietnam era, and was discharged or released therefrom with other than a dishonorable discharge, or (B) was discharged or released from active duty for a service-connected disability if any part of such active duty was performed during the Vietnam era. This represents a departure from the current standards in law, which provide preference in Federal employment only to those veterans who are separated from active military duty under honorable conditions.

We recognize the need to give assistance to those veterans who had special problems, such as drug addiction, during their service which resulted in discharge from service under less than honorable conditions. We do not feel, however, that this assistance should include preference in Federal employment, which has traditionally been reserved for ex-servicemen who sacrificed part of their personal lives to serve honorably in the military forces of our country.

The Office of Management and Budget advises that from the standpoint of the administration's program, there is no objection to the submission of this report.

By direction of the Commission:

Sincerely yours,

Robert Hampton,
Chairman.

[No. 64]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

United States of America,
General Services Administration,
Washington, D.C., November 24, 1971.

Hon. Vance Hartke,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Your letter of August 9, 1971, requested the views of the General Services Administration on S. 2091, 92d Congress, a bill to be cited as the "Veterans' Employment and Readjustment Act of 1971."

We endorse the basic objectives of S. 2091 which would provide assistance to veterans in adjusting to civilian life and in obtaining employment, but feel that authority already exists to accomplish these goals.

Section 5(a) of the bill would add a new chapter 42 to part III of title 38, United States Code, including a section 2012 providing that the Administrator of Veterans' Affairs, in consultation with the Secretary of Labor and the Civil Service Commission, shall establish an affirmative action plan providing for the preferential employment of disabled veterans and veterans of the Vietnam era by every department and agency. Although we favor an affirmative action plan, it is recommended that the Civil Service Commission be designated as the agency responsible for the development of such a plan.

We are of the opinion that Executive Order 11598 issued June 16, 1971, can serve adequately the purpose of section 4(a) of the bill, which would require that any contract entered into for the purchase of goods or services by a department or agency include a provision requiring contractors and subcontractors to give employment preference to veterans. Implementation of section 4(a) would be very difficult, would add to the cost of and further complicate Government procurement, might involve conflict with other hiring priorities based upon equal employment opportunity, and would in some instances require changes in union hall hiring practices. Accordingly, we recommend deletion from the bill of the requirement for veterans' employment preference under Federal contracts.

The Office of Management and Budget has advised that, from the standpoint of the administration's program, there is no objection to the submission of this report to your committee.

Sincerely,

Harold S. Trimmer, Jr.

92D CONGRESS
1ST SESSION

S. 2163

IN THE SENATE OF THE UNITED STATES

JUNE 28, 1971

Mr. MATHIAS (for himself, Mr. CASE, Mr. CHURCH, Mr. HOLLINGS, Mr. INOUYE, Mr. KENNEDY, Mr. MOSS, Mr. PELL, and Mr. RIBICOFF) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

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A BILL

To amend title 38, United States Code, to provide for the payment of tuition, subsistence, and educational assistance allowances on behalf of or to certain eligible veterans pursuing programs of education under chapter 34 of such title, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Vietnam Veterans' Act of 1971".

SEC. 2. Subchapter IV of chapter 34 of title 38, United States Code, is amended by inserting immediately before section 1681 the following new section:

"§ 1680. Tuition and subsistence assistance allowances for institutional training

"(a) In the case of an eligible veteran not on active duty who is pursuing a program of education or training at an approved educational or training institution on a half-time or more basis, the Administrator shall pay directly to the educational or training institution on behalf of such eligible veteran the customary cost of tuition, and such laboratory, library, health, infirmary, or other similar fees as are customarily charged, and shall pay for books, supplies, equipment, and other necessary expenses, excluding board, lodging, other living expenses, and travel, which similarly circumstanced nonveterans enrolled in the same courses are required to pay.

"(b) In no event shall the payment authorized by subsection (a) of this section exceed $1,000 for an ordinary school year. If the educational or training institution has no customary cost of tuition, a fair and reasonable rate of payment for tuition, fees, or other charges for such course or courses shall be determined by the Administrator.

"(c) In the event a veteran fails to complete his program of education after a tuition assistance allowance has been paid to the educational or training institution on his behalf, the Administrator shall, pursuant to such regulations as he may prescribe, require a pro rata refund of the tuition assistance allowance based upon the uncompleted portion of the school year for which the allowance was paid.

"(d) While pursuing an approved program of education or training, other than cooperative or on-farm training, a veteran eligible for tuition assistance benefits under subsection (a) of this section shall be paid a monthly subsistence allowance as set forth in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the basis shown in column I:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full time	$175	$205	$230	$13
Three-quarter time	128	152	177	10
Half time	81	100	114	7

"(e) (1) An eligible veteran entitled to tuition assistance under subsection (a) of this section and who is enrolled in an educational institution for a 'farm cooperative' program consisting of institutional agricultural courses prescheduled to fall within 44 weeks of any period of 12 consecutive months and who pursues such program on—

"(A) a full-time basis (a minimum of 12 clock hours per week),

"(B) a three-quarter-time basis (a minimum of 9 clock hours per week), or

"(C) a half-time basis (a minimum of 6 clock hours per week)

shall be eligible to receive a subsistence allowance at the appropriate rate provided in the table in paragraph (2) of this subsection, if such eligible veteran is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator.

"(2) The monthly subsistence allowance of an eligible veteran pursuing a farm cooperative program under this chapter shall be paid as set forth in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the basis shown in column I:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full time	$141	$167	$192	$10
Three-quarter time	101	119	138	7
Half time	67	79	92	4

"(f) An eligible veteran, entitled to tuition assistance under subsection (a) of this section, who is enrolled in a 'cooperative program', other than 'farm cooperative' program, shall be paid a monthly subsistence allowance at the same rate paid for full-time 'farm cooperative' training as provided in subsection (e) of this section. For the purpose of this subsection, the term 'cooperative program', other than a 'farm cooperative' program, means a full-time program of education which consists of institutional courses and alternate phases of training in the business or industrial establishment with such training being strictly supplemental to the institutional portion."

SEC. 3. Section 1681 of title 38, United States Code, is amended to read as follows:

"§ 1681. Educational assistance allowances

"(a) An educational assistance allowance shall be paid to each eligible individual pursuing a program of education while on active duty, or to an eligible veteran pursuing a program of education on less than a half-time basis or exclusively by correspondence, as follows:

"(1) The educational assistance allowance of an individual pursuing a program of education—

"(A) while on active duty, or

"(B) on less than a half-time basis,

shall be computed at the rate of (i) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same program to pay, or (ii) $175 per month for a full-time course, whichever is the lesser. Notwithstanding provisions of section 1682 of this title, payment of the educational assistance allowance provided by this subsection may, and the educational assistance allowance provided by section 1696 (b) shall, be made to an eligible veteran in an amount computed for the entire quarter, semester, or term during the month immediately following the month in which certification is received from the educational institution that the veteran has enrolled in and is pursuing a program at such institution.

"(2) (A) The educational assistance allowance of an eligible veteran pursuing a program of education exclusively by correspondence shall be computed on the basis of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veterans. The term 'established charge' as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to the eligible veteran, whichever is the lesser. Such allowances shall be paid quarterly on a pro rata basis for the lessons completed by the veteran and serviced by the institution, as certified by the institution.

"(B) The period of entitlement of any eligible veteran who is pursuing any program of education exclusively by correspondence shall be charged with one month for each $175 which is paid to the veteran as an educational assistance allowance for such course.

"(b) (1) The educational assistance allowance of a veteran pursuing a program of flight training (except as provided in section 1673 (b) of this chapter), shall be paid in accordance with the provisions of section 1677 of this chapter.

"(2) The educational assistance allowance of a veteran pursuing a program of apprenticeship or other on-job training shall be paid in accordance with the provisions of section 1683 of this chapter.

"(c) The tuition and subsistence allowances payable under section 1680 of this chapter and the educational assistance allowance payable under this section shall be paid as soon as practicable after the Administrator is assured of the veteran's enrollment in and pursuit of the program of education for the period for which such allowance is to be paid."

SEC. 4. Section 1682 of title 38, United States Code, is amended to read as follows:

"§ 1682. Educational certifications and limitations

"(a) No tuition assistance allowance shall be paid to an educational or training institution on behalf of an eligible veteran under section 1680 of this chapter until the Administrator shall have received from such institution a certification of the actual enrollment of the eligible veteran at such institution, the number of semester or clock hours of attendance he is to pursue, the customary cost of tuition, the customary cost of books, supplies, equipment and related expenses, the customary charges for laboratory, library, health, infirmary or other similar fees, and such other information as the Administrator, by regulation, may require.

"(b) The subsistence and educational assistance allowances of an eligible veteran provided in sections 1680 and 1681 of this chapter shall be paid only for the period of his enrollment as approved by the Administrator, but no such allowances shall be paid—

"(1) to any veteran enrolled in a course which leads to a standard college degree for any period when such veteran is not pursuing his course in accordance with the regularly established policies and regulations of the educational institution and the requirements of this chapter, or of chapter 36;

"(2) to any veteran enrolled in a course which does not lead to a standard college degree (excluding programs of apprenticeship and programs of other on-job training authorized by section 1683 of this title) for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution is not regularly in session; or

"(3) to any veteran pursuing his program exclusively by correspondence for any period during which no lessons were serviced by the institution.

"(c) No subsistence or educational assistance allowance shall be paid to an eligible veteran enrolled in a course in an educational institution which does not lead to a standard college degree for any period until the Administrator shall have received—

"(1) from the eligible veteran a certification as to his actual attendance during such period or where the program is pursued by correspondence a certificate as to the number of lessons actually completed by the veteran and serviced by the institution; and

"(2) from the educational institution, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education during such period and, in the case of an institution furnishing education to a veteran exclusively by correspondence, a certificate, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

Notwithstanding the foregoing, the Administrator may pay an educational assistance allowance representing the initial payment of an enrollment period, not exceeding one full month, upon receipt of a certificate of enrollment.

"(d) The Administrator may, pursuant to such regulations as he may prescribe, determine enrollment in, pursuit of, and attendance at, any program of education or course by an eligible veteran for any period for which a tuition assistance allowance is paid on his behalf or for which he receives a subsistence or educational assistance allowance under this chapter for pursuing such program or course."

SEC. 5. Section 1661 of title 38, United States Code, is amended by—

(a) inserting in subsection (a) immediately after the words "entitled to" the following: "tuition, subsistence or"; and

(b) inserting in subsection (c) immediately after the word "receive" the following: "tuition, subsistence or".

SEC. 6. Section 1662 of title 38, United States Code, is amended by—

(a) inserting in subsection (a) immediately after the word "No" the following: "tuition, subsistence or"; and

(b) inserting in subsection (c) immediately after the words "date for which an educational" the following: ", tuition or subsistence".

SEC. 7. Section 1663 of title 38, United States Code, is amended by inserting immediately after the words "eligible for" the following: "tuition, subsistence or".

SEC. 8. Section 1671 of title 38, United States Code, is amended by inserting in the second sentence thereof immediately after the words "entitled to the" the following: "tuition, subsistence or".

SEC. 9. Section 1674 of title 38, United States Code, is amended by inserting immediately after the words "shall discontinue the" the following: "subsistence or".

SEC. 10. Section 1676 of title 38, United States Code, is amended by inserting in the second sentence thereof immediately after the words "deny or discontinue the" the following: "subsistence or".

SEC. 11. Section 1687 of title 38, United States Code, is amended by inserting immediately after the words "may discontinue the" the following: "subsistence or".

SEC. 12. Section 1691 of title 38, United States Code, is amended by striking out in subsection (b) thereof the words "an educational assistance allowance as provided by sections 1681 and 1682 (a) and (b) of this title" and inserting in lieu thereof the following: "a tuition assistance and subsistence allowance under the provisions of section 1680 of this chapter if he is enrolled on a half-time basis or an educational assistance allowance under the provisions of section 1681 (1) (B) of this chapter if he is enrolled on less than a half-time basis".

SEC. 13. Section 1693 of title 38, United States Code, is amended to read as follows:

"The tuition, subsistence and educational assistance allowances authorized by section 1691 (b) of this chapter and the cost of individualized tutorial assistance authorized by section 1692 (b) of this chapter shall be paid without charge to any period of entitlement the veteran may have earned pursuant to section 1661 (a) of this title."

SEC. 14. Section 1781 of title 38, United States Code, is amended by inserting immediately after the word "No" the following: "tuition, subsistence or".

SEC. 15. Section 1789 of title 38, United States Code, is amended by striking out the words "an educational assistance" and inserting in lieu thereof the following: "a tuition, subsistence or educational assistance allowance on behalf of or".

SEC. 16. The table of sections at the beginning of chapter 35 is amended by—

(a) striking out:

"1681. Educational assistance allowance.
"1682. Computation of educational assistance allowances.";

and

(b) inserting in lieu thereof:

"1680. Tuition and subsistence allowances for institutional training.
"1681. Educational assistance allowances.
"1682. Educational certifications and limitations.".

SEC. 17. This Act shall become effective September 1, 1971.

[No. 80]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., December 23, 1971.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
United States Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This will respond to your request for a report by the Veterans' Administration on S. 2163, 92d Congress, a bill to amend title 38, United States Code, to provide for the payment of tuition, subsistence, and educational assistance allowances on behalf of or to certain eligible veterans pursuing programs of education under chapter 34 of such title, and for other purposes.

Section 2 of the bill proposes to add a new section 1680 to chapter 34. Subsection (a) of the proposed new section provides for payment direct to educational or training institutions on behalf of an eligible veteran not on active duty for the customary cost of his tuition, laboratory, library, health, infirmary or other similar fees and for expenses incurred for books, supplies, equipment and other necessary expenses, exclusive of board, lodging, and other living or travel expenses which similarly circumstanced nonveterans enrolled in the same courses are required to pay. Subsection (b) of the new section limits this payment to a sum not in excess of $1,000 for the ordinary school year.

Under the terms of the World War II GI Bill (Public Law 346, 78th Congress), tuition, fees, books and other necessary expenses up to a maximum of $500 per ordinary school year were pair directly to the educational institution by the Veterans' Administration. This required contracting with such institutions for this service, a method found to be unsatisfactory and an area subject to much abuse. The findings of the House Select Committee to Investigate the Educational and Training Program Under GI Bill during 1950 showed that there were many inadequacies in the law which led to multiple problems. Included among the abuses was veteran enrollment aimed at financial gain rather than serious educational intent with exploitation of the veteran as well as the Government. It was also found that overcharges were made for supplies, books and tools and in many instances the tools were being sold or pawned by the veteran.

In enacting the Korean conflict GI Bill (Public Law 550, 82d Congress), the Congress provided an educational benefit program designed to meet, in part, the expenses of the veteran's subsistence, tuition, fees, supplies, books and equipment. This was premised on the Select Committee's investigation which indicated that this method of payment, made directly to the veteran, would achieve the desirable objective of giving the veteran a financial interest in his own training. The current GI Bill (Public Law 89–358), which establishes a program of educational benefits for veterans who served on active duty in the Armed Forces after January 31, 1965, adopted the partial assistance approach which originated in the Korean Bill.

It is our view that enactment of the tuition payment, as proposed in the bill, would complete a cycle returning to the problems and abuses of the World War II GI Bill. We believe this would again give rise to such abuses as falsification of veteran's progress and attendance records and collusion between school officials and veterans in falsely obtaining educational assistance payments.

Furthermore, increased educational assistance benefits related to rises in costs of living have already been proposed in the "Veterans' Education and Training Amendments of 1971" which was transmitted to the Congress on November 27, 1971.

Subsection (b) of the proposed new section 1680 also provides that where an educational or training institution has no customary cost of tuition, the Administrator of Veterans Affairs would be authorized to set a fair and reasonable rate of payment for tuition, fees, or other charges for the course. We believe that this provision also offers an area of potential abuse. Based on past experience with the World War II GI Bill program, we found that under this provision the schools would be able to include all costs, including some already subsidized in whole or in part by the Federal Government. An example would be teachers' salaries. These could be included in a school's submission to the Veterans Administration for a determination of a fair and reasonable payment based on actual cost plus a reasonable profit.

In the educational program all other costs are governed by the amount charged to similarly circumstanced nonveterans for the same course. To allow a tuition payment where nonveterans in like training are not charged tuition would be a contradiction to a basic principle of the program. Some State laws prohibit charging tuition to resident students. This, therefore, would pose a difficult administrative problem in setting a fair and reasonable rate for "tuition, fees, or other charges for the course" as required by this portion of the bill.

Subsection (c) of the proposed new section requires educational or training institutions which have received tuition assistance payments on the veteran's behalf to refund a pro rata amount of the tuition when the veteran fails to complete his program of education. This refund is without regard to the established refund policy of the school. In institutions of higher learning, the normal maximum period for refunds extends only 8 to 10 weeks after the start of the course. This is another reason schools would have for abusing the initial tuition and fee statement so as to cover the times when the tuition would have to be refunded past the normal period. This pro rata policy would, in addition, further separate the treatment of the veteran student from that of the nonveteran by requiring different refund policies.

This subsection also fails to designate to whom the refund is to be paid. We believe it is proper that the refund of tuition should be made to the Veterans Administration, not to the veteran.

Subsections (d), (e) and (f) of the proposed new section provide for the payment of a subsistence allowance to those veterans eligible for the tuition assistance. The allowance payable to these veterans, while termed a subsistence allowance, would, with two minor exceptions, be at the same rate as the educational assistance allowance currently being paid to these veterans. Veterans not eligible for the tuition allowance would be those who are training on less than half-time, while on active duty, pursuing flight or correspondence course training, or pursuing apprenticeship or other on-job programs. These veterans, under the provisions of section 3 of the bill, would continue to be paid the same rate of educational assistance allowance that they are presently being paid. We believe that it would be discriminatory to award veterans under some programs payment of tuition and other costs either in whole or in part and not to give other veterans similar treatment because of their choice of training.

Sections 4 through 16 of the bill are either restatements of existing law or are clarifications of present law to make the current law consistent with the new tuition-subsistence payment provisions provided in S. 2163.

We wish to point out that all post-Korean conflict veterans who have a service-connected injury evaluated at 30 percent or more disabling, or if less than 30 perecnt disabling and have a pronounced handicap, and are found in need of vocational rehabilitation on account of such disability, may pursue training under chapter 31. Educational benefits provided under that chapter have been more liberal than those provided under chapter 34. For example, a maximum of 48 months of training is provided under chapter 31. Charges for tuition, fees and supplies are paid directly to the school by the Veterans Administration and, in addition, subsistence allowances and disability compensation benefits are paid to the veteran. Under S. 2163 benefits for chapter 34 beneficiaries would rise relative to those provided for the disabled veteran under chapter 31. It appears to us that the bill would thus equate the benefits of the two programs and thereby depart from the concept of additional benefits for those veterans who suffered service-connected disabilities.

It is estimated that enactment of the bill would result in added direct benefit costs of $615 million the first year and $2,935.8 million over the first five years. A detailed breakdown showing numbers of individuals affected and total cost for each of the next five years is as follows:

Fiscal year	Individuals eligible for tuition payments	Direct benefits cost (millions)
1st	953,000	$615.0
2d	952,000	639.7
3d	905,000	630.4
4th	743,000	530.3
5th	709,000	520.4
5-year total		2,935.8

In making this estimate, we have assumed a nine-month school year for both college and below college level trainees. We have also excluded all persons on active duty and all veterans pursuing on-job, flight and correspondence training programs, as well as those individuals training on less than a half-time basis.

Administrative cost due to the direct payments to the institutions would approximate $7.8 million the first year and decline to $5.9 million by the fifth year.

The estimates of direct benefits and administrative cost cited above are based upon the number of veterans already expected to be in training. If the higher benefits which would be made available by this proposal should induce additional veterans to enter training who otherwise would not have trained, the entire cost of training for such persons might be considered to be additional direct benefits cost attributable [illegible] this proposal. Such possible added cost is not susceptible of any m[illegible]ningful estimate.

For the foregoing reasons, we recommend against favorable action by your Committee on S. 2163.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

DONALD E. JOHNSON,
Administrator.

[No. 84]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., January 6, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request of July 2, 1971 for the views of this Office on S. 2163, a bill to amend title 38, United States Code, to provide for the payment of tuition, subsistence, and educational assistance allowances on behalf of or to certain eligible veterans pursuing programs of education under chapter 34 of such title, and for other purposes.

In its report to your committee, the Veterans' Administration explained its reasons for recommending against enactment of S. 2163. With respect to the sections of the bill dealing with educational assistance benefits, the VA noted that the administration has proposed increased benefits in a draft bill transmitted to the Senate on November 30 entitled the "Veterans Education and Training Amendments of 1971."

We concur in the views of the VA and, accordingly, recommend against enactment of S. 2163. With respect to educational assistance benefits, we recommend enactment of the VA proposal entitled "Veterans Education and Training Amendments of 1971." Enactment of the proposed legislation would be considered with the objectives of the administration.

Sincerely,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

92d CONGRESS
1st Session

S. 2660

IN THE SENATE OF THE UNITED STATES

October 6, 1971

Mr. Hartke (for himself, Mr. Hughes, and Mr. Thurmond) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

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A BILL

To amend title 38 of the United States Code to provide equality of treatment for married female veterans.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 102 of title 38, United States Code, is amended as follows:

(1) Subsection (b) thereof is amended to read as follows:

"(b) For the purposes of this title, (1) the term 'wife' includes the husband of any female veteran; and (2) the term 'widow' includes the widower of any female veteran."

II

(2) The heading of said section is amended to read as follows:

"§ 102. Dependent parents; husbands".

SEC. 2. The analysis of chapter 1 of title 38, United States Code, is amended by striking out

"102. Dependent parents and dependent husbands."

and inserting in lieu thereof

"102. Dependent parents; husbands."

[No. 56]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., November 16, 1971.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs, U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to the oral request of Mr. McMichael of the Committee staff for a report by the Veterans' Administration on S. 2660, 92d Congress.

As stated in its title, the bill proposes to provide equality of treatment for married female veterans. It seeks to accomplish this by amending 38 U.S.C. 102(b) to delete certain criteria that currently restrict the eligibility of the husband or widower of a female veteran for certain benefits under laws we administer.

With the exception of hospital care in private contract hospitals and certain benefits where dependency is a factor, the laws providing veterans' benefits make no distinction between a female veteran and a male veteran. With respect to increased benefits payable to a veteran because of a dependent or wife, 38 U.S.C. 102(b) requires that the husband of a female veteran must be incapable of self-maintenance and permanently incapable of self-support due to mental or physical disability. This is pertinent with respect to the payment to a veteran with service-connected disabilities of additional compensation for a wife, payment of increased educational assistance allowances to a veteran for a dependent, and reduction of benefits payable to a veteran receiving hospitalization or similar care if he is without a wife.

Similarly, section 102(b) provides that for a widower to have the same status as a widow with respect to survivor benefits, the widower must have been incapable of self-maintenance and permanently incapable of self-support due to mental or physical disability at the time of the veteran's death. This provision is significant in connection with the payment of benefits to a widow under the death compensation, dependency and indemnity compensation, and death pension programs under chapters 11, 13, and 15, respectively, of title 38, United States Code. Again, while the law (38 USC 1801(a)(2)) provides that the widow of a qualified veteran is eligible for the loan guaranty and direct loan benefits which the Veterans' Administration administers if the veteran died of a service-connected disability and the widow is not eligible for the benefits as a result of her own service, the widower of a female veteran would appear to be similarly eligible only if he was incapable of self-maintenance and permanently incapable of self-support due to mental or physical disability at the time of the veteran's death.

S. 2660, if enacted, would remove from the law the additional requirements that must now be met in the case of husbands and widowers. As a result, benefits for husbands and widowers of female veterans would become payable under the same conditions that now apply to wives and widows of male veterans.

As a matter of information, there is one distinction in the area of benefits between male and female veterans which would not be affected by the bill. Section 601(4)(c)(ii) of title 38, United States Code, defines "Veterans' Administration facilities" for the purpose of hospital care to include private facilities for which the Administrator contracts for the purposes of providing such care "for women veterans of any war." The historical reason for this provision was that the Veterans' Administration did not have adequate facilities to provide for the hospital care of female veterans in all cases and it was deemed more appropriate to contract for their care as necessary than to equip special facilities for them. This provision, therefore, was incorporated in the law as a matter of administrative convenience rather than to afford female veterans an additional benefit.

In recent years, the circumstances of and attitudes toward the employment of females have changed considerably. Women, today, generally work because the family needs the money and the income they earn is significant in the support of the family. On the principle that Veterans' Administration benefits are designed to cushion family living standards for the loss of, or lessened, income stemming from the veteran's disability, school attendance, or death, it would seem appropriate to drop the requirement of actual dependency for the husbands or widowers of veteran-wives. Moreover, the existing provisions of law reflect discrimination between the sexes—the nondependent husband or widower does not have equal protection against economic hazard; he does not have entitlement to Veterans' Administration benefits to which the nondependent wife is eligible. And also, from a practical standpoint, the proposed revision of the law would be easier to administer since the dependency determinations are often time consuming and difficult to administer satisfactorily.

The Veterans' Administration lacks adequate current data upon which to predicate a precise estimate of the cost of this measure. However, based on available information, as a magnitude estimate, we believe that the bill, if enacted, could affect some 300 cases the first year at an approximate additional cost of $500,000. The cost should remain at about the same level for each of the succeeding 4 years.

The Veterans' Administration recognizes that the provision of benefits regardless of the dependency of husbands and widowers of female veterans that would flow from the enactment of this bill would constitute a significant change in the principles applicable to our benefit programs. For the reasons cited above, however, we support this legislation and recommend favorable consideration of S. 2660 by your committee.

Advice was received from the Office of Management and Budget with respect to the submission of a similar report on an identical bill (H.R. 3965, 92d Cong.) that there was no objection to the presentation of the report from the standpoint of the administration's program.

Sincerely,

DONALD E. JOHNSON, *Administrator*.

[No. 78]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., December 16, 1971.

Hon. VANCE HARTKE,
Chairman, Committe on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request of November 12, 1971, for the views of this office on S. 2660, a bill "To amend title 38 of the United States Code to provide equality of treatment for married female veterans."

S. 2660 would delete certain criteria restricting the eligibility of the husband or widower of a female veteran for benefits under laws administered by the Veterans' Administration.

In its report the VA explains its reasons for supporting the bill. We concur in the views of the VA and, accordingly, recommend enactment of S. 2660.

Sincerely,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

92d CONGRESS
1st Session

S. 2666

IN THE SENATE OF THE UNITED STATES

October 7, 1971

Mr. Chiles introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

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A BILL

To provide special advisory and counseling assistance to veterans at institutions of higher education and to authorize, on a trial basis, a special program to aid veterans with academic deficiencies to gain entrance to institutions of higher education.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Administrator of Veterans' Affairs is authorized to make grants to, or to make contracts with, any institution of higher education for the purpose of assisting such institution to employ a full-time veterans' advisory and assistant officer to counsel and advise veterans on all matters relating to education and career guidance, and to assist and advise veterans on other matters as provided herein.

(b) The office of the veterans' advisory and assistance officer at any institution of higher education shall serve for veterans as a central coordinating office on matters relating to campus orientation, academic and career guidance, counseling, financial assistance, placement planning, registration processing, and tutorial assistance. Such office shall also serve as a central point to counsel and assist eligible veterans who may be interested in pursuing an undergraduate or graduate work on a full-time or part-time basis.

(c) The veterans' advisory and assistance officer at any institution of higher education shall be authorized, in accordance with such regulations as the Administrator may prescribe, to accept and process the claim of any veteran enrolled in such institution for any education and training benefit or for any other veteran's benefit.

SEC. 2. (a) The Secretary of Health, Education, and Welfare is authorized and directed to carry out on a trial basis a special program for veterans who have a high school diploma or the equivalent thereof and who have an academic deficiency which prevents them from qualifying for entrance in any education or training program, under standard entrance criteria, in any institution of higher education. Such program shall be carried out in cooperation with any institution of higher education which agrees to participate in such program (referred to hereinafter as a "participating institution").

(b) Under such regulations as the Secretary of Health, Education, and Welfare may prescribe, after seeking the advice of and consulting with appropriate officials of institutions of higher education, academically deficient veterans who have completed high school or the equivalent thereof shall be permitted to enroll in a participating institution on a one-year probationary basis. No agreement entered into between the Secretary of Health, Education, and Welfare and any participating institution shall require such institution to continue the enrollment in such institution of any veteran who has failed to meet the minimum standards prescribed for all first year students.

(c) In order to encourage institutions of higher education to participate in the trial program provided for under this section the Secretary of Health, Education, and Welfare is authorized to make grants to, or contracts with, institutions of higher education.

SEC. 3. As used in this Act, the term "institution of higher education" means any public or private educational institution in any State which admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, is legally authorized within such State to provide a program of education beyond secondary education, and provides an educational program for which it

awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree.

[No. 112]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., March 23, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for the views of the Veterans' Administration on S. 2666, 92d Congress, a bill to provide special advisory and counseling assistance to veterans at institutions of higher education and to authorize, on a trial basis, a special program to aid veterans with academic deficiencies to gain entrance to institutions of higher education.

The provisions of the bill are identical to those set out in title VII of H.R. 6531, 92d Congress, as passed by the Senate on June 24, 1971. These provisions, however, were not included in the bill which resulted from the House and Senate Conference on that measure (see House Report No. 92-433), and, therefore, were not a part of the enactment which became Public Law 92-129.

This proposal would, in substance, authorize the Administrator of Veterans' Affairs, to provide funding for special advisory and counseling assistance to veterans at institutions of higher education, and would authorize, on a trial basis, a special program administered by the Secretary of the Department of Health, Education, and Welfare, to aid veterans with academic deficiencies to gain entrance to institutions of higher education.

The first section of the bill would authorize the Administrator to make grants or enter into contracts with any institution of higher education for the purpose of assisting such institution in hiring a full-time, all purpose advisory and assistance officer. His functions would include counseling and advising veterans on all matters relating to education and career guidance, including financial assistance, placement planning, registration processing, and tutorial assistace. It further authorizes the assistance officer to accept and process any application or claim for benefits made by a veteran enrolled in the educational institution.

The Veterans' Administration already has an extensive counseling program available for veterans. Trained and objective counseling assistance is available either before or after the individual veteran makes his choice of program or school. On the campus itself, many schools now maintain a veterans affairs officer, either full time or part time, in recognition of the substantial tuition and fee income generated by the GI bill program and partially financed by annual VA reporting payments of $3.5 million to each school. Moreover, the VA now maintains the closest liaison with all educational and training establishments, and there are mandatory procedures which require responsible VA personnel to have contact with school administrators on a day-to-day basis to assist in resolving problems. In addition, the Association of College Registrars and Administrative Counselors and the State approving agencies continue to be valuable working partners of the VA in improving educational programs as well as their administration.

The number of veterans in training at a given institution varies from a few to several thousand on large campuses. This bill would allow employment of one full-time veterans' advisory and assistance officer. Such a statutory requirement would thus become an inflexible and disproportionate allocation of manpower and would lead to requests from the larger institutions for more manpower. On many campuses, moreover, the effect of the bill would be to shift to the taxpayer the cost of services already provided veterans without adding new services.

From an administrative point of view, the Veterans' Administration is now using a centralized high-speed computer payment system which enables it to cope with peak demands for benefits. With such equipment we process and produce checks for nearly 2 million veterans. This sophisticated processing and delivery system would be impeded by the fragmented input from some 6,000 locations which would result from enactment of this bill. To change to individualized processing of claims on each campus would not accomplish the result of getting benefits to the veteran-recipients nearly as quickly or efficiently as does the computerized payment system.

In addition to the education oriented duties of the assistance officer, under this proposal, he would be authorized to accept and process claims for any other veterans' benefit for those enrolled in the institutions. Thus a precedent would be created for the Federal Government to pay non-Federal employees to assist in prosecuting claims against the Government. The major organizations, under charter from Congress, maintain a network of highly trained professional service officers with a high degree of expertise in all areas of veterans' benefits. And, these service officers provide free advice and assistance on processing claims at all Veterans' Administration regional offices, hospitals, and other locations. Another level of contact, restricted to the campus of educational institutions, would appear unnecessary and would serve no useful purpose.

The second section of this bill apparently would authorize the Secretary of Health, Education, and Welfare to create, on a trial basis, a special program for veterans who have received a high school diploma or the equivalent but who have an academic deficiency which prevents them from qualifying for entrance in an education or training program in any participating institution of higher learning. This section also would authorize the Secretary to make grants to, or contracts with, institutions of higher learning to set up 1-year programs to overcome such deficiencies.

Existing programs, under current law, now provide major assistance to the same group of veterans this bill seeks to aid. Under the predischarge educational program (PREP), servicemen may repair their educational deficiencies while still in the service to overcome obstacles to college admission, and can fulfill the necessary educational requirements to obtain a high school diploma. Further, educational handicaps can be overcome after service without charge to regular GI bill entitlement. Special tutorial benefits to keep veterans in college where necessary are also provided. The goal of this section would appear to duplicate the goals already provided by existing legislation. Whether some new or duplicative programs are envisioned cannot be determined.

A number of assumptions have been made in order to estimate the cost for advisory and assistance officers as proposed.

For purposes of this estimate, separate branches or divisions of a college or university located in the same city are considered to be a single unit, but those located in a different city are counted as a separate unit. On this basis there are approximately 4,240 units of higher education with VA trainees enrolled.

One full-time advisory and assistance officer should be able to provide services for up to 500 veteran trainees. The contract or grant should provide a fractional allowance for more or less than 500 trainees in increments of one-fourth.

Salary payments for a full-time advisory and assistance officer would average $12,826 the first year (equivalent of GS–11) and increase in subsequent years on a basis equivalent to ingrade step increases. No provision has been made for periodic cost-of-living increases. The services of secretarial assistance also would be required. Cost of office space, equipment, supplies, and services would average $1,950 per advisory and assistance officer. Administrative overhead charged by the college would be approximate an additional 5 percent, based upon the aggregate of costs cited above.

Implementation of this proposal would require some time following enactment; therefore, we assume that cost would begin with fiscal year 1973. All of the cost of this proposal would be administrative cost rather than direct benefits. We have prepared cost estimates on a dual basis as follows:

VA pays the cost for one full-time veteran's advisory and assistance officer at each institution of higher education.

Administrative cost

Fiscal year:	*Millions*
1st	$98.8
2d	101.5
3d	104.2
4th	106.9
5th	108.2
5-year total	519.6

VA pays a pro rata share of the cost, based upon the number of trainees enrolled at each institution of higher education.

Administrative cost

Fiscal year:	*Millions*
1st	$38.3
2d	39.4
3d	40.5
4th	41.6
5th	42.2
5-year total	202.0

For the reasons stated, the Veterans' Administration recommends against favorable consideration of S. 2666 by your committee.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

Donald E. Johnson,
Administrator.

[No. 127]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

Comptroller General of the United States,
Washington, D.C., April 11, 1972.

B-140300.

Hon. Vance Hartke,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

Dear Mr. Chairman: By letter of November 3, 1971, you requested our comments on S. 2666, a bill which has as its stated purpose, "To provide special advisory and counseling assistance to veterans at institutions of higher education and to authorize, on a trial basis, a special program to aid veterans with academic deficiencies to gain entrance to institutions of higher education."

It appears that these two programs proposed by S. 2666 would be similar to and duplicative of Federal activities authorized under certain existing legislation. The Veterans' Readjustment Benefits Act of 1966 (38 U.S.C. 1663–1692) provides for the Administrator of Veterans' Affairs to arrange for educational and vocational counseling for veterans and for encouraging and assisting those veterans who have academic deficiencies to qualify for and pursue courses of higher education. This act also encourages educational institutions to develop programs which provide special tutorial, remedial, preparatory, or other educational or supplemental assistance to such veterans. Section 408 of the Higher Education Act of 1965, although not directed specifically to veterans, authorizes the Commissioner of Education to make grants to and contracts with institutions of higher education to encourage and assist low-income academically deficient students to pursue and complete a post secondary education.

To preclude the duplication of Federal assistance to institutions of higher education, the Committee may wish to consider either revising the bill to amend existing legislation to achieve the objectives of the bill or including a provision in the bill requiring the coordination of Federal support under the proposed legislation with that under existing legislation.

Section 1(a) of the bill authorizes the Administrator of Veterans' Affairs to make grants to and contracts with institutions of higher education to assist them in employing a full-time veterans' advisory and assistance officer. The bill, however, does not state the extent to which Federal funds are to participate in the costs of employing such personnel. Also, it is not evident from the bill whether it is intended that costs attendant to these positions, such as for staff salaries and other office expenses, are to be eligible for Federal participation. The Committee may wish to consider amending the bill to indicate the intent concerning these matters.

The bill does not contain a provision authorizing the appropriation of Federal funds to carry out the proposed programs. Also, there is not provision in the bill requiring institutions receiving Federal funds under the proposed programs to keep adequate accounting records, or authorizing the administrative agencies involved and the Comptroller General to have access to the institutions' records for the purpose of audit and examiantion. We recommend that the Committee include such provisions in the bill.

We suggest that on page 1, line 7, the word "assistant" be changed to "assistance" and on page 2, line 8, the word "an" be deleted.

Sincerely yours,

Paul G. Dembling,
Comptroller General of the United States.

[No. 128]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., April 12, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request of November 3, 1971 for the views of this Office on S. 2666, a bill "To provide special advisory and counseling assistance to veterans at institutions of higher education and to authorize, on a trial basis, a special program to aid veterans with academic deficiencies to gain entrance to institutions of higher education."

In its report the Veterans Administration explains its reason for recommending against favorable consideration of the bill. In particular, the Administrator of Veterans' Affairs notes that existing programs, under current law, now provide major assistance to the same group of veterans S. 2666 seeks to help.

We concur with the views of the Veterans Administration and, accordingly, recommend against enactment of the bill.

Sincerely,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

92d CONGRESS
1st Session

S. 2744

IN THE SENATE OF THE UNITED STATES

October 26, 1971

Mr. Muskie (for himself and Mr. Cranston) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To provide better inservice education and training programs for members of the Armed Forces of the United States, to provide additional education and training opportunities for veterans, to provide better job training and job placement for veterans, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Servicemen's and Veterans' Education, Training, and Job Assistance Act of 1971".

DEFINITIONS

Sec. 2. As used in titles I, II, III, and IV of this Act—

(1) The term "member" means any person serving on active duty.

(2) The term "veteran" means any person who served on active duty for a period of more than one hundred and eighty days, any portion of which was subsequent to January 31, 1955, and who was discharged or released therefrom under conditions other than dishonorable, or who was discharged or released from active duty for a service-connected disability.

(3) The term "active duty" means active duty (other than active duty for training) in the Armed Forces of the United States under a call or order for a period of more than thirty days.

(4) The term "Secretary" means the Secretary of Defense unless the context indicates otherwise.

(5) The term "high school diploma" includes any certificate equivalent to such a diploma.

TITLE I—CHARTER OF ECONOMIC OPPORTUNITY

SEC. 101. It is the purpose of this title to guarantee to every member of the Armed Forces and to every veteran the opportunity to receive at Government expense certain educational and vocational training benefits and to obtain other assistance which will enable them to find and retain meaningful employment or to prepare for further education in civilian life.

SEC. 102. On and after the date of enactment of this title every member of the Armed Forces shall be entitled to receive, at Government expense and during normal duty hours, the following:

(1) In the case of any member who does not have a high school diploma, a high school education, including a high school diploma, to the extent provided in this title;

(2) In the case of any member who has a high school diploma, the opportunity to take refresher or preparatory courses which will make the transition from military service to college or other training easier;

(3) Training for a skilled civilian job; and

(4) Assistance in securing a job after discharge or release from active duty.

SEC. 103. The Secretary shall provide trained counselors in sufficient numbers to advise individually every member of the Armed Forces of the opportunities available to such members under this Act and to advise and consult with each such member with regard to how he can most effectively benefit from such opportunities. Such counselors shall also advise and counsel members of the Armed Forces with respect to benefits that will be available to them upon their discharge or release from active duty. Such counselors shall be made available to members of the Armed Forces from the first day of military service for such members.

SEC. 104. (a) Every member of the Armed Forces who has not received a high school diploma shall be notified by a counselor immediately after such member's induction or enlistment into the Armed Forces of such member's right to pursue one or more courses of study necessary to obtain a high school diploma.

(b) Every such member shall be given, and encouraged to accept, the opportunity to pursue one or more such courses of study necessary to obtain a high school diploma. Such course or courses of study shall be provided at Government expense and shall be pursued by the member during his normal duty hours. No member shall be assigned extra duty because of his pursuit of a course of study under this title.

(c) Any member of the Armed Forces who has not received a high school diploma and who elects to pursue one or more courses of study under this section shall be given not less than one hundred and twenty classroom hours during each three-month period he is on active duty until he qualifies for such diploma or until his discharge or release from active duty, whichever occurs first: *Provided,* That the Deputy Assistant Secretary may, by regulation, reduce the number of classroom hours below one hundred and twenty where the training provided for in this section would interfere with the performance of military duties by members assigned to duty in a combat zone.

SEC. 105. (a) In carrying out the provisions of this title the Secretary of Defense shall establish regional academies throughout the United States and in foreign countries, where members of the Armed Forces are stationed, to provide courses of study leading to a high school diploma for members and veterans who do not have such a diploma. Existing facilities at or near military installations shall be utilized or contracted with for the establishment of such academies to the maximum extent practicable.

(b) Regional academies established under this section shall be operated by qualified educators employed by or under contract to the Department of Defense and, to the extent practicable, shall be civilians. In establishing such academies and providing for the curricula and operating personnel thereof, the Secretary of Defense shall consult with and obtain the assistance of, the Secretary of Health, Education, and Welfare.

(c) Any veteran who does not have a high school diploma shall be eligible to enroll in a regional academy established under this section in the United States for the purpose of earning a high school diploma. No veteran shall be charged for education provided him under this section and each veteran shall be provided with room and board without charge so long as he pursues his course of study satisfactorily.

TITLE II—JOB TRAINING

SEC. 201. (a) In order to enable members to obtain skilled or semi-skilled jobs after their discharge or release from active duty and to assist veterans to qualify for jobs, the Secretary shall provide training for members in those skills which, on the basis of the data developed pursuant to section 204 of this title, there is expected to be a civilian demand. The Secretary shall provide for the teaching of such skills to members through agreement with any business entity or consortium of business entities, or with one or more labor organizations, or by contract with any private person or government agency. If such programs are not reasonably available, the Secretary shall establish such training programs in the Department of Defense for teaching such skills.

(b) Training programs provided for under this title shall be open to members and to any veteran who makes application therefor: *Provided*, That no veteran shall be eligible to participate in a training program established under this title unless he makes application to participate therein within one year after the enactment of this Act or one hundred and twenty days after his discharge or release from active duty, whichever date is later. No member or veteran shall be charged for any training received in any such program. The Secretary shall pay the transportation, room and board of any veteran pursuing a training program under this title for such period as the Secretary determines is required for the normal completion of the particular program which the veteran is pursuing. The Secretary shall also pay any veteran pursuing any vocational training program under this title a monthly subsistence while such veteran is pursuing such program in accordance to regulations promulgated by the Secretary.

SEC. 202. (a) Any member of the Armed Forces or veteran who satisfactorily completes a course of training under this title shall be rated as having a high, medium, or low degree of employability, based upon the level or degree of skill he has acquired through such training.

(b) The Secretary is authorized to reimburse any employer who employs any veteran who has received training under this title, either prior or subsequent to release from active duty in an amount equal to 50 per centum of the compensation paid to such veteran by such employer (1) during the first three months of his employment in the case of any veteran who receives a high employability rating; (2) during the first six months of his employment in the case of any veteran who receives a medium employability rating; or (3) during the first nine months of his employment in the case of any veteran who receives a low employability rating: *Provided*, That the reimbursement provided by the Secretary shall not exceed $1,000 for every three months of employment. The reimbursement program provided in this subsection shall be applicable in the case of veterans employed in skilled or semiskilled occupations.

(c) The Secretary shall obtain such assurances as he deems appropriate to insure that the job of any veteran, employed by an employer paid a training subsidy under this title, will not be terminated because such subsidy has terminated.

SEC. 203. Training received by a member of the Armed Forces under this title shall be provided to him during his normal duty hours and he shall not be assigned extra duty because of the time devoted to such training.

SEC. 204. The Secretary shall develop statistical data for the purpose of determining those skills likely to be in demand from time to time as members are discharged or released from active duty. Such data shall be developed in cooperation with the Secretary of Labor and the Administrator of Veterans' Affairs.

TITLE III—JOB PLACEMENT

SEC. 301. (a) The Secretary shall collect and maintain current information regarding employment opportunities throughout the United States. In collecting and maintaining such information the Secretary shall consult with, and seek the cooperation and advice of, the Secretary of Labor and Federal, State, and local government employment services.

(b) Information regarding employment opportunities shall be made available to all members of the Armed Forces prior to their discharge or release from active duty through counselors provided for under section 103 of this Act and shall be made available to any veteran upon request.

(c) The Secretary shall encourage private employers, State and local governments, and other departments and agencies of the Federal Government to regularly visit military installations for the purpose of interviewing and recruiting for civilian employment, after their discharge or release from active duty, members stationed at such installations. The Secretary shall make available appropriate physical facilities on military installations to private employers, State and local governments, and to other departments and agencies of the Federal Government for the purpose of carrying out the provisions of this subsection.

SEC. 302. (a) All departments and agencies of the Government shall keep the Secretary fully informed with regular reports regarding job opportunities within such departments and agencies and shall provide the Secretary with periodic estimates of what their personnel requirements will be for the coming year.

(b) The Secretary shall coordinate all activities under this title with the Secretary of Labor in order to avoid as much duplication of work as possible.

TITLE IV—PREDISCHARGE EDUCATION PROGRAM

SEC. 401. (a) It is the purpose of the Congress that the Secretary of Defense encourage and assist members of the Armed Forces in preparing for their future education, training, or vocation by providing them with an opportunity to enroll in and pursue a program of education or training, under subchapter VI of chapter 34 of title 38, United States Code, prior to their discharge or release from active duty with the Armed Forces.

(b) In carrying out his responsibilities under this section, the Secretary shall insure that the maximum resources of the Department of Defense are utilized in consultation with the Administrator of Veterans' Affairs, and consistent with the mission of the Department, in order to promote the greatest participation in predischarge education and training programs under such subchapter.

SEC. 402. In carrying out his responsibilities under this title, the Secretary shall encourage all eligible members to take advantage of the provisions of this title to the maximum extent practicable, and to this end shall direct the commanders of all military installations to give complete cooperation to eligible members and to educational and training institutions located in the areas of military installations.

TITLE V—GENERAL

SEC. 501. Notwithstanding any other provision of law, any member of the Armed Forces who has been serving in a combat zone, as defined by the Secretary, and is returned to the United States for discharge or release from active duty shall be returned to the United States not less than thirty days prior to his scheduled date of discharge or release. During such thirty-day period such member shall be advised by a counselor provided for under section 103 of this Act of the opportunities and assistance available to him before and after his discharge or release from such duty, and shall, where possible, be assisted to enroll in programs established under titles I, II, and IV of this Act.

SEC. 502. The President shall appoint, by and with the advice and consent of the Senate, a Deputy Assistant Secretary of Defense for Education and Training. The Deputy Assistant Secretary shall have as his principal duty the overall supervision of programs designed to educate, train, and assist members of the Armed Forces and veterans to secure and hold civilian employment, including those programs specifically placed under his supervision.

SEC. 503. (a) The President shall appoint, within thirty days after the date of this Act, an Advisory Committee to advise the Deputy Assistant Secretary of Defense for Education and Training regarding the most effective means of implementing the programs provided for in titles I, II, III, and IV of this Act. Such Advisory Committee shall be composed of persons from private life who are eminently qualified to advise the Deputy Assistant Secretary of Defense for Education and Training because of their education, training, and experience in the fields with which such titles are concerned.

(b) The Deputy Assistant Secretary of Defense for Education and Training shall submit a report to the Congress, within sixty days after the Advisory Committee has been appointed and organized, setting forth the specific actions that are to be taken to implement the provisions of this Act together with an estimate of the funds that will be necessary to carry out such actions. The Deputy Assistant Secretary shall also include in such report (1) the number of trained counselors (provided for under title I of this Act) that will be needed and the funds that will be needed to recruit and train such counselors, and (2) the extent to which present facilities at military installations can be utilized for regional academies (to be established pursuant to section 104 of this Act), the extent to which new facilities will have to be provided in order to carry out effectively the provisions of title I, and the estimated costs of providing such facilities.

(c) The Deputy Assistant Secretary of Defense for

Education and Training shall be responsible for the program provided for under titles I, II, III, and IV of this Act. All personnel of the Department of Defense directly concerned with carrying out the programs provided for under titles I, II, III, and IV of this Act shall operate under the supervision and control of, and shall be responsible to, the Deputy Assistant Secretary of Defense for Education and Training.

[No. 113]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., March 23, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This will respond to your request for a report by the Veterans' Administration on S. 2744, 92d Congress, a bill to provide better inservice education and training programs for members of the Armed Forces of the United States, to provide additional education and training opportunities for veterans, to provide better job training and job placement for veterans, and for other purposes.

This bill, which is divided into five titles, would, briefly, provide eligibility for servicemen to take, during duty hours, high school courses, or refresher or deficiency courses needed for entrance into college; direct the establishment of regional academies to provide high school courses for servicemen and veterans; authorize the teaching of servicemen and veterans skills required to qualify for civilian jobs; require collection and maintenance of job opportunity information for servicemen; require the Secretary of Defense to encourage servicemen to utilize the Veterans' Administration PREP program; and create a position of Deputy Assistant Secretary of Defense for Education and Training to supervise these various programs.

This measure primarily concerns programs which would be administered by the Department of Defense and we defer, generally, to the views of that Department on S. 2744. There are, however, certain observations we wish to make regarding the bill. We are particularly concerned about those provisions in title I of the bill which would direct the Secretary of Defense to establish regional academies throughout the United States and in foreign countries to provide courses leading to high school diplomas. In addition to servicemen, veterans who do not have a high school diploma would be permitted to attend such academies in the United States without charge for either tuition, room, or board.

Manifestly, establishment of such regional academies would represent costly duplication of many of our currently authorized and ongoing programs for both veterans and servicemen.

The Veterans' Administration presently provides high school training for veterans under subchapter V of chapter 34 of title 38, United States Code, without charge to their GI bill entitlement for other education and training benefits. In the course thereof they receive the educational assistance allowance. Further, servicemen are permitted, under the terms of subchapter VI of chapter 34, to pursue high school diploma, or deficiency, remedial and refresher courses which are paid for by the Veterans' Administration, again without charge to any earned GI bill entitlement. These latter courses are offered not only in the United States, but in foreign countries as well.

Since no bar is provided against receipt of the Veterans' Administration educational assistance allowance where a veteran receives free tuition, room and board through the Department of Defense, the measure in effect, provides that veterans would receive duplicative benefits for the same training.

We are also concerned about the provisions in title II of the bill which would authorize the Secretary of Defense to contract with business firms, labor organizations, private individuals and other Government agencies to teach servicemen and veterans skills required to qualify them for civilian jobs. Veterans, in order to qualify, would be required to apply for such training within 120 days following their discharge or release from active duty. They would be furnished transportation, and room and board while training, as well as a monthly subsistence allowance. In addition, the Secretary would be empowered to pay any employer of a trainee an amount equal to 50 percent of the compensation paid the trainee during the first 3 months of his employment if the trainee receives a high employability rating; during the first 6 months for a medium employability rating; and during the first 9 months in the case of a low employability rating. The reimbursement would be limited to $1,000 for every 3 months of employment.

Thus, under the terms of the bill, the veteran could receive two separate and distinct subsistence allowances—one from the Department of Defense and one from the Veterans' Administration—while training for work skills and could also receive wages from the employer furnishing the job training. This again is a program which, for veterans, would be duplicative of programs of apprenticeship and on-job training already offered by the Veterans' Administration. It is obvious that such a duplicative program, as proposed here for veterans, would have a serious adverse effect on programs we already offer which provide for the payment of only one subsistence allowance.

Title IV of the bill calls upon the Secretary to encourage servicemen to pursue PREP courses and programs being administered by the Veterans' Administration. This seems inconsistent with the establishment under the bill of a separate similar program for servicemen to pursue high school and related courses in the regional academies. The net effect would be to displace the on-going PREP program already provided by law.

It is apparent that the principal effect of the bill would be to establish a separate GI bill administered by the Department of Defense to include not only those in the service, but also veterans. There is no evidence the tremendous additional expenditures required for this duplicative program would result in large numbers of veterans trained. It is possible that the main effect would be to pay more to veterans in some types of training than in others. We believe that the result of waste and duplication can be minimized by preserving responsibilities of the Veterans' Administration for providing education, schooling, training, and job support for those individuals who have departed military service and are in civilian life. In addition to the efforts of the Veterans' Administration, other agencies including the Department of Defense, are participating in the President's veteran's program, initiated in June 1971. This program is designed to provide a coordinated structure of Federal responsibilities for education, training, and jobs, specifically for returning veterans.

We are informed that the Department of Defense estimates S. 2744 would cost well over $1 billion annually. It is difficult to precisely estimate what portion of this expense might be borne by the Veterans' Administration. For example, if the service academies to be established under this proposal are separately funded by the Department of Defense, the additional Veterans' Administration cost incident to such academies would be limited to the educational assistance allowance of the veterans enrolled in such institutions who otherwise would not have trained. However, it is possible that all or a portion of the cost of these academies might be required to be funded by the Veterans' Administration, as now occurs under the PREP program. (The bill provides that the courses of study will be provided at Government expense, but it does not limit the agency to be charged for this expense.)

The extent to which veterans, who otherwise would not have trained, are induced to enter such training, would result in increased direct benefits cost. Such possible added cost is not susceptible of any meaningful estimate. In addition to the increase in direct benefits cost, it is apparent that an increase in Veterans' Administration administrative expenses might be expected if this proposal were enacted. Because of the overlapping roles of the Veterans' Administration and the Department of Defense, it would be necessary to maintain extensive and continuing liaison between the two agencies in these functional areas (e.g., cooperative development of statistical data for the purposes of determining those job skills likely to be in demand as servicemen are released from active duty).

In view of the cost implications mentioned, it appears likely that the additional direct benefits cost to the Veterans' Administration might be very large, amounting to many millions of dollars per year. The increase in administrative cost is also likely to be substantial. Except for these general concepts of cost magnitude, we are unable to establish those portions of total cost which might be charged to the Veterans' Administration.

In view of the adverse effect of the measure on existing Veterans' Administration programs, and for other reasons outlined above, we would recommend against favorable consideration by your committee of S. 2744.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

Donald E. Johnson, *Administrator.*

[No. 109]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE,
Washington, D.C., March 23, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for the views of the Department of Defense on S. 2744, 92d Congress, a bill to provide better inservice education and training programs for members of the Armed Forces of the United States, to provide additional education and training opportunities for veterans, to provide better job training and job placement for veterans, and for other purposes.

The bill provides that members of the Armed Forces have on-duty opportunities at Government expense for educational and civilian job training, and for assistance in securing a job. It would also require the Secretary of Defense to provide educational job training, and placement programs for certain veterans. In addition, it provides specific directions and guidelines for the Secretary of Defense in implementing its objectives. A partial list includes:

1. One hundred and twenty classroom hours of duty time each 3 months for military members pursuing studies for a high school diploma or equivalency.
2. Establishment of Department of Defense education, skill training, and job placement programs for serving members and for veterans. The Secretary would be required to establish regional academies to operate parts of this program.
3. Authority for the Secretary of Defense to reimburse any employer for a specified period up to 50 percent of the compensation received by a veteran from that employer who hires him after successful completion of a Department of Defense training program.
4. The establishment of a Deputy Assistant Secretary of Defense position with line responsibility for the program proposed in that bill.

While the Department of Defense totally supports the objective of expanding its inservice training and education opportunities, it opposes enactment of the bill for three reasons.

First, the provision of the bill concerning active duty members of the Armed Forces are unnecessary. Machinery for the individual development of military members, whether their career objectives are military or civilian, is provided in the current organization of the Department of Defense and the military services.

There has been a steady strengthening of education and skill training programs for active duty members. The military services operate programs to provide opportunities for, and encourage servicemen and women to participate in, high school completion and secondary level remedial courses. During calendar year 1971 more than 85,000 service members earned high school equivalency status by virtue of these programs. The substantial education benefit provided under the predischarge education program (PREP) is producing increased participation in high quality secondary level programs throughout the military. PREP is now available to servicemen at over 125 installations worldwide.

Eligibility for inservice veterans' educational benefits now begin after 6 months rather than 2 years of active duty. This early eligibility for servicemen along with proposed increases in educational benefits, will create increased opportunity and stimulate increased participation by servicemen at all educational levels.

Project Transition was established in the Department of Defense approximately 4 years ago to respond specifically to the needs of separating service personnel. The President's program to increase veteran employment opportunities, announced in June 1971, has resulted in expanded Defense effort in Project Transition. The attached fact sheet provides detailed information on the scope of that program, highlights of which are these:

1. Counseling to help the serviceman choose the best course of action in the way of predischarge education, vocational training, and job assistance.

2. A vocational training program with instruction provided in cooperation with private institutions, the Department of Labor, and the Office of Education.

3. Job placement done by an interagency counseling effort at military bases worldwide.

Our second objection to the bill stems from the provisions requiring the Department of Defense to provide education, skill training, and job support for individuals who have departed military service and are in civilian life. This is not this Department's role, but one that belongs to the Veterans' Administration and other public and private institutions. We have not done a detailed costing of the bill. However, our judgment is that its implementation would require increases to the Department's manpower budget of an amount well in excess of $1 billion.

The Department accepts as a matter of high responsibility concern for the development of members of the Armed Forces and for assisting servicemen prior to their departure for civilian life. But, assistance to veterans already in civilian life is better provided by the cooperative efforts of Federal, State, and local agencies along with educational and other civilian institutions.

Our final objection to the bill is based on the specificity of its provisions pertaining to the operation of programs. A highly structured program, such as this bill provides, would reduce the administrative flexibility needed to balance the often competing claims of operational readiness, force reduction, and the provision of inservice education, civilian skill training, and job placement programs. In progressing toward a reduced, stabilized volunteer force, education and training programs for individuals will continue to expand.

In summary, Mr. Chairman, the Department of Defense, while opposing this bill, is committed to continued progress in improving education and training opportunities for servicemen.

We are advised by the Office of Management and Budget that there is no objection from the standpoint of the administration's program to the presentation of this report.

Sincerely,

J. FRED BUZHARDT.

THE DEPARTMENT OF DEFENSE TRANSITION PROGRAM

The Department of Defense approximately four years ago established the Transition Program to be responsive to the needs of the returning service personnel. This program addresses one of the Department's Human Goals: to help each serviceman at the end of his service in his adjustment to civilian life.

The Transition Program is voluntary on the part of those exiting from military service. During a six month period prior to separation, it provides counseling, educational services, vocational training, and job assistance. It is primarily beamed at those who, because of low educational achievement or absence of a negotiable civilian skill, would have a more difficult adjustment problem. Approximately 20% of those separating from military service during any one fiscal year are considered to be in this category. The Transition Program does not, however, exclude from counseling those who do possess some civilian skill obtained as a result of military training and who desire to utilize this skill in civilian employment. Normally, counseling and job finding assistance are available to this group.

During the period in which Transition has been in operation over one million service personnel have received counseling and over 200,000 vocational training in a civilian skill. The budget for the program has averaged approximately $15 million for each full fiscal year of operation.

In 1969 as a result of the recommendations of the President's Committee on the Vietnam Veteran, the Transition programs for counseling services were expanded along with the training offerings of industry and courses provided by the Manpower Development and Training Act administered by the Department of Labor and the Office of Education.

In June 1971 as the result of the inauguration of the President's six point program for the Vietnam era veteran, the Transition Program was again expanded to provide counseling, education, training, and job assistance programs in overseas areas and to create special skills centers stateside to provide 60-days full time counseling and vocational training to individual's needing it the most. As a result of this special emphasis, 25,000 more service personnel will have been trained by the end of FY 72 than in any previous fiscal year.

The counseling process, the first element of the Transition Program, identifies those who need help and determines with the serviceman the best course of action for him in the way of predischarge education, vocational training, and job assistance. Usually the 20% of those separating who most need this help are identified by rosters and through an outreach program individuals are scheduled for an interview.

The Military Services have approximately 1000 counselors at Transition sites to assist service personnel. In addition, as a result of the expansion of service desired by the President, counseling service overseas is augmented in Vietnam, Thailand, Okinawa, Korea, Japan, and Europe through teams of personnel from the Department of Labor, Office of Education, and Veterans Administration. These teams usually meet with individuals 30 to 90 days prior to discharge to discuss in group and individual sessions educational and vocational trends and opportunities and the VA benefits available to pursue these and other opportunities made available through the GI Legislation of the Congress of the United States.

The Transition counselors are found at all Transition sites and are either civilian or military members of the Defense Department. Each military service operates its own Transition Program for its own personnel. However, in some metropolitan areas a consortium of Services may be formed usually to pool vocational training resources and opportunities.

As part of the counseling service for those overseas, the Transition Program provides a handbook called "Crossroads" which is a guide to the options which may be open to the service personnel who are about to be separated. This handbook is especially useful to those returning from overseas who cannot continue in any Transition program since they are eligible for immediate release at the port of entry.

The Department of Defense pursues a vigorous program of counselor training through regional training seminars conducted by the Office of Education AMIDS Program (Area Manpower Institute for the Development of Staff). In addition, the Office of Education also provides training programs for counselors who are participating in the drug abuse program through quotas at special training sessions conducted at the University of Miami and Yale University.

The educational services utilized by the Transition Program are those established by the military services for regular active duty personnel. The prime use of these services involves GED program for the gaining of a high school equivalency certificates obtained through GED courses and testing procedures. Counselors refer service personnel just prior to discharge to education offices for the high school equivalency GED test. In addition, at a limited number of Transition installations, special educational programs offering college level courses are available to those individuals who never thought about their capability to do college level work. Through special instruction and motivational counseling, individuals learn their capabilities and many are thus motivated to go on to college after discharge under the GI legislation.

The vocational training program offerings under Transition are offered through three sources.

Approximately 40% of the training is provided by private industry either through formal classroom courses offered on or near a military base or through on-the-job training available nearby the Transition site. Some 50 companies of large size offer formal courses and over 1000 smaller companies offer on-the-job training. These courses or training programs range from auto mechanics, small appliance repairmen, telephone installers and repairmen to welding and store management. The placement rate in courses provided by industry has a range of 40% to 70%. These courses are conducted without cost to the Federal government except for some facilities provided and the time of the military personnel participating.

The second source of training is through the Manpower Development and Training Act administered by the Department of Labor and Office of Education. Approximately 40% of training is accomplished through this resource which is now budgeted by Labor at approximately $10 million. Transition personnel at local sites develop training needs, contact local Labor and Office of Education personnel through the state agencies to arrange course offerings which are administered by Office of Education and Labor. Courses provided are taught by community colleges, trade and vocational schools or other local educational agencies through contracts. In addition, arrangements are made with National contractors to conduct courses at several Transition sites. These contracts are made by Labor and OE with National unions such as Carpenters, Bricklayers, Stone Masons, Painters, or with the International Association of Chiefs of Police for the training of law enforcement officers. There is a close tie-in with National contractors for placement opportunities. Graduates of the union contractors' courses are given course completion documents and introduction to local unions for entry into apprentice training programs. In the law enforcement field, the training provided is recognized as meeting standards for entry as law enforcement officers in smaller local jurisdictions. For example, in a recent 18 month period, law enforcement agencies in the State of New Jersey employed 248 Transition law enforcement graduates.

The remaining 20% of training is provided for by the military services either through special classroom courses or through on-the-job training at base maintenance shops or administrative or supply agencies.

Training is normally provided for 240 hours on duty time, usually one half day, five days a week, for twelve weeks. Other off-duty on-duty arrangements are made upon the approval of the unit commander who must agree to all training which is undertaken on duty time.

The fourth element in the Transition Program—Job assistance—is normally executed by the Transition counselors. These counselors have local labor market information and local contacts with firms for men who wish to remain within the vicinity of installations from which they are discharged. A counselor also has access to nationwide labor trends. Moreover at the major Transition sites and at all 23 skill centers established in January 1972, there are either full time or part time Labor Department job counselors who aid the men in job preparation and in job development through the employment service office in the individual's home community. To be established soon as part of the President's expansion program will be direct linkages between Transition sites and job banks of the major cities through a microfische job bank viewing device and telephone links with local employment officer for jobs for service personnel about to leave the military service.

In addition to the above, the Department of Defense, in cooperation with the Department of Labor, has developed short courses in an Introduction to the World of Work which gives an overview of the occupational universe and techniques about job hunting. This course uses a Labor Department developed film on how to prepare for a job interview.

Each counselor also has a series of job opportunity forms which are arranged usually by state for study by service personnel. These job opportunity forms are sent to the Department of Defense from firms who have immediate or standing orders for jobs. Defense disseminates these to over 300 Transition sites where they are used by counselors in the job assistance programs.

The Department of Defense in its job assistance program is interested first in helping those individuals who have undergone educational and vocational training programs under Transition. Next it emphasizes two special programs.

The MEDIHC Program (Military Experience Directed into Health Careers) is a special program under which the Secretary of Defense wished to insure that a maximum number of enlisted individuals who received military training in the health and medical field would continue to make a career in the very critical civilian health field. Consequently, a joint HEW-DOD Program was established. The Department of Defense identifies the personnel, counsels them and encourages them to prepare a card with qualifications and job and area choices recorded. This card then goes to an HEW-financed agency in each state or group of states which in turn does job development and places the employer in contact with the prospective serviceman. The current placement rate under this system ranges from 40% to 70% depending upon the state. HEW has allocated $1 million to the development and operation of state or regional agencies handling the job development of medically trained enlisted personnel both those leaving the service or those seeking employment who are already out in civilian life.

A companion program designed to place those servicemen who have been trained while in the military service in the construction trades is operated by a central clearing house supported by funds provided by the Department of Labor and manned jointly by representatives of the construction trades unions and the construction industry. The primary purpose of this program is to implement the program of the President to maximize the potential use of those with construction trades experience in the growing needs of the construction industry. The referral system operates similarly to the MEDIHC Program. Service personnel with construction trades experience complete qualification forms which are forwarded to the Central Clearinghouse which in turn accomplishes job development within the construction industry. In turn the industry gets in touch with the returning service personnel for an employment consideration. Finally, the job assistance program helps those who have acquired civilian-related skills as a result of military training and experience. DOD desires to help this group maximize use of such skills in the civilian job market.

The overall aim of the job assistance element of the Transition Program is to quicken the relationships between employers and service personnel. In this objective, the President's Jobs for Veterans Program is serving to alert employers of the potential of the returning servicemen and those veterans already in civilian life who wish to put their skills to work. Additionally, with the President's Executive Order to industry requiring Federal contractors to register their job needs with the Employment Service, the Transition Program will refer departing servicemen to the Employment Section where the jobs available to veterans will be enhanced by the execution of the Executive Order.

At present, the Transition Program is operating under four plans in repsonse to the President's June 1971 six-point program. Task 2 of that program called for expansion of the Transition Program. Plan 1 is engaged in expanding the Transition services overseas in order to reach more service personnel prior to their return to continental United States and immediate separation. With the rapid movement of troops out of South Vietnam the Plan 1 operation will concentrate in Vietnam on counseling, both by in-country Transition counselors and teams of Department of Labor, OE, and VA personnel operating in remaining installations and ships in adjacent waters. Plan 1 elsewhere in the Far East will offer counseling, educational services, vocational training, and job assistance in Thailand, Okinawa, Korea, and Japan. In Europe all four services will also be offered. In the Far East training is being conducted under a $1 million contract with the University of Hawaii. In Europe training is now being conducted by German based industry and by on-the-job training at military installations MDTA training is being established.

Under Plan 2, vocational counseling and limited vocational training is being offered to those under the drug treatment program. Since the number of personnel under this program is significantly less than what had been originally contemplated, plan 2 will remain a very limited effort.

Under Plan 3, the Transition effort in continental United States is being expanded where possible. The Military Services are adding more counselors to their installation staffs and training is being widened where available trainees permit. Significant limiting factors in Plan 3 are the early release program for the remainder of FY 72 and in FY 73 the sharp reduction in the total separation pool for FY 72, 830,000 to 600,000 FY 73.

Under Plan 4, 23 skill centers have been established under the President's direction, (10 Army, 10 Navy, 2 Marine Corps, 1 Air Force). These centers provide 60 days full-time counseling and training for 12,000 personnel by the end of FY 72. Training is provided by industry and by MDTA funding.

[No. 124]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Washington, D.C., April 5, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This letter is in response to your request of November 2, 1971 for a report on S. 2744, a bill to provide better in-service education and training programs for members of the Armed Forces of the United States, to provide additional education and training opportunities for veterans, to provide better job training and job placement for veterans, and for other purposes.

The bill provides that members of the Armed Forces have on-duty opportunities at Government expense for educational and civilian job training, and for assistance in securing a job. It would also require the Secretary of Defense to provide educational, job training, and placement programs for certain veterans. In addition, it provides specific directions and guidelines for the Secretary of Defense in implementing its objectives. A partial list of these includes:

1. One hundred and twenty classroom hours of duty time each 3 months for military members pursuing studies for a high school diploma or equivalency.
2. Establishment of Department of Defense education, skill training, and job placement programs for serving members and for veterans. The Secretary of Defense would be required to establish regional academies to operate parts of this program.
3. Authority for the Secretary of Defense to reimburse any employer for a specified period up to 50 percent of the compensation received by a veteran from that employer who hires an eligible veteran after successful completion of a DOD training program.
4. The establishment of a Deputy Assistant Secretary of Defense position with line responsibility for the programs proposed in the bill.

In its report on this bill, the Department of Defense has outlined the extent to which this bill would duplicate efforts already being undertaken by Federal agencies as a part of the President's veterans program. We concur with the views of that agency on this bill. We would also point out the following specific roles and programs of this Department in providing veterans with services similar to those proposed under S. 2744:

Under part E of the Education Professions Development Act, about 115 veterans are currently receiving fellowships valued at more than $600,000. Furthermore, under the same authority, four institutions are receiving approximately $275,000 to train 100 counselors for veterans.

Under the talent search program, the U.S. Office of Education is in the final stages of negotiation to fund a program with the American Association of Junior Colleges for $100,000 to serve veterans. In addition, all talent search projects have been asked to devote 10 percent of their efforts to veterans, a dollar value of approximately $500,000.

The upward bound program is negotiating with the University of California at Los Angeles to fund a project for veterans at UCLA for approximately $100,000; an additional $300,000 set-aside for veterans under upward bound is currently being considered.

Approximately 421 of the 2,800 teacher corpsmen in the United States are currently veterans and receiving benefits approximately $3,750,000.

Under the career opportunities program nearly 1,200 veterans are participating in COP at a cost to the Federal Government of $6.8 million.

Under the Manpower Development and Training Act nearly 34,000 veteran trainees will participate, a dollar volume of approximately $64 million. On-the-job training will be provided to an additional 24,000 trainees at a cost of $14.5 million.

One further item which should be noted is the amendment which the administration has proposed to the Higher Education bill currently in conference. This amendment provides that all veterans are to be deemed to be self-supporting for the purposes of determining eligibility for educational opportunity grants, work-study, and National Defense Education Act loan programs. The effect of this provision will be to increase the amount of assistance for which veterans are eligible, since no parental contribution will be expected. The amendment has been passed with respect to EOG and NDEA loans by the House in S. 659, and it is quite likely that the Senate conferees will agree to it as well.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

ELLIOT LEE RICHARDSON,
Secretary.

[No. 133]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., April 19, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request of November 2, 1971 for the views of this Office on S. 2744, a bill "To provide better inservice education and training programs for members of the Armed Forces of the United States, to provide additional education and training opportunities for veterans, to provide better job training and job placement for veterans, and for other purposes."

In reports to your Committee, the Department of Defense, the Veterans Administration, and the Department of Health, Education, and Welfare state their reasons for strongly recommending against enactment of S. 2744. The Department of Defense notes, in particular, that the bill would duplicate existing programs of the military services and the Veterans Administration and that enactment of the measure would cost the Department of Defense well in excess of one billion dollars for the first year.

We concur with the views of these agencies and, accordingly, strongly recommend against enactment of S. 2744.

Sincerely,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

92d CONGRESS
2d Session

S. 3059

IN THE SENATE OF THE UNITED STATES

JANUARY 24, 1972

Mr. THURMOND (for himself and Mr. HARTKE) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

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A BILL

To amend chapters 31, 34, and 35 of title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to eligible veterans and persons; to provide for advance educational assistance payments to certain veterans; to make improvements in the educational assistance programs; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans' Education and Training Amendments of 1971".

TITLE I—VOCATIONAL REHABILITATION-EDUCATIONAL ASSISTANCE RATE ADJUSTMENTS

SEC. 101. Chapter 31 of title 38, United States Code, is amended as follows:

(a) by amending section 1504(b) to read as follows:

"(b) The subsistence allowance of a veteran-trainee is to be determined in accordance with the following table, and shall be the monthly amount shown in column II, III, or IV (whichever is applicable as determined by the veteran's dependency status) opposite the appropriate type of training as specified in column I:

"Column I	Column II	Column III	Column IV
Type of training	No dependents	One dependent	Two or more dependents
Institutional:			
Full-time	$146	$196	$227
Three-quarter-time	106	144	169
Half-time	73	99	113
Institutional on-farm, apprentice, or other on-job training:			
Full-time	128	166	196"

Where any full-time trainee has more than two dependents and is not eligible to receive additional compensation as provided by section 315 or section 335 (whichever is applicable) of this title, the subsistence allowance prescribed in column IV of the foregoing table shall be increased by an additional $7 per month for each dependent in excess of two."; and

(b) by deleting in section 1507 "$100" and inserting in lieu thereof "$200".

SEC. 102. Chapter 34 of title 38, United States Code, is amended as follows:

(a) by deleting in the last sentence of section 1677

(b) "$175" and inserting in lieu thereof "$190";

(b) the table contained in paragraph (1) of section 1682 (a) is amended to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$190	$220	$250	$15
Three-quarter-time	139	162	185	11
Half-time	88	103	118	8
Cooperative	153	180	207	11.";

(c) by deleting in section 1682 (b) "$175" and inserting in lieu thereof "$190";

(d) the table contained in section 1682 (d) (2) is amended to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time	$153	$180	$207	$11
Three-quarter-time	109	129	149	8
Half-time	73	86	100	5.";

(e) the table contained in section 1683 (b) is amended to read as follows:

"Periods of training	No dependents	One dependent	Two or more dependents
First 6 months	$160	$178	$197
Second 6 months	120	136	156
Third 6 months	80	98	117
Fourth and any succeeding 6 month periods	40	58	77.";

and

(f) by deleting in section 1696 (b) "$175" and inserting in lieu thereof "$190".

SEC. 103. Chapter 35 of title 38, United States Code, is amended as follows:

(a) by amending section 1732 (a) (1) to read as follows:

"(a) (1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate of (A) $190 per month if pursued on a full-time basis, (B) $139 per month if pursued on a three-quarter-time basis, and (C) $88 per month if pursued on a half-time basis,";

(b) by deleting in section 1732 (a) (2) "$175" and inserting in lieu thereof "$190";

(c) by deleting in section 1732 (b) "$141" and inserting in lieu thereof "$153"; and

(d) by amending section 1742 (a) to read as follows:

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on his behalf a special training allowance computed at the basic rate of $190 per month. If the charges for tuition and fees applicable to any such course are more than $60 per calendar month the basic monthly allowance may be increased by the amount that such charges exceed $60 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each $6.80 that the special training allowance paid exceeds the basic monthly allowance."

TITLE II—ADVANCE VOCATIONAL REHABILITATION SUBSISTENCE AND EDUCATIONAL ASSISTANCE ALLOWANCE PAYMENTS

SEC. 201. Subsection (a) of section 1504 of title 38, United States Code, is amended by adding at the end thereof the following: "The Administrator shall pay the initial subsistence allowance of a course of vocational rehabilitation training to an eligible veteran in an amount not to exceed the subsistence allowance for the month or fraction thereof in which pursuit of the course will commence, plus the subsistence allowance for one full month, upon receipt of proof that the veteran has been enrolled in an approved educational institution on a half-time or more basis. Such payment shall not be made earlier than the first day of the month in which pursuit of the course is to commence. Subsequent payments of subsistence allowance shall be made each month in advance, subject to such reports and proof of satisfactory pursuit of such program as the Administrator may require. The Administrator may withhold the final payment of a subsistence allowance payable to such veteran until such proof is received and the amount appropriately adjusted. If the eligible veteran fails to pursue the course after receiving the initial payment of the subsistence allowance, the amount of such payment may be recovered from any benefit otherwise due the veteran under any law administered by the Veterans' Administration or such overpayment shall constitute a liability of such eligible veteran and may be recovered in the same manner as any other debt due the United States."

SEC. 202. Subsections (d) and (e) of section 1681 of title 38, United States Code, are amended to read as follows:

"(d) The Administrator shall, except as provided in subsection (e) of this section, pay the initial educational assistance allowance of an enrollment period to an eligible veteran in an amount not to exceed the educational assistance allowance for the month or fraction thereof in which pursuit of the program will commence, plus the educational assistance allowance for one full month, upon receipt of proof that the eligible veteran has been enrolled in an approved educational institution on a half-time or more basis. Such payment shall not be made earlier than the first day of the month in which pursuit of the program is to commence. Subsequent payments of educational assistance allowance shall be made each month in advance, subject to such reports and proof of satisfactory pursuit of such program as the Administrator may require. The Administrator may withhold the final payment of an enrollment period until such proof is received and the amount appropriately adjusted. If the eligible veteran fails to pursue the course after receiving the initial payment of the educational assistance allowance, the amount of such advance payment may be recovered from any benefit otherwise due the veteran under any law administered by the Veterans' Administration or such overpayment shall constitute a liability of such eligible veteran and may be recovered in the same manner as any other debt due the United States.

"(e) No educational assistance allowance shall be paid to an eligible veteran enrolled in a program of education consisting exclusively of flight training or exclusively by correspondence for any period until the Administrator shall have received—

"(1) from the eligible veteran a certification as to his actual attendance during such period or, where the program is pursued by correspondence, a certificate as to the number of lessons actually completed by the veteran and serviced by the institution, and

"(2) from the educational institution, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education during such period and, in the case of an institution furnishing education to a veteran exclusively by correspondence, a certificate, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution."

SEC. 203. Subsection (d) of section 1731 of title 38, United States Code, is amended to read as follows:

"(d) The Administrator shall pay the initial educational assistance allowance of an enrollment period on behalf of an eligible person in an amount not to exceed the educational assistance allowance for the month or fraction thereof in which pursuit of the program will commence, plus the educational assistance allowance for one full month, upon receipt of proof that the eligible person has been enrolled in an approved educational institution on a half-time or more basis. Such payment shall not be made earlier than the first day of the month in which pursuit of the program is to commence. Subsequent payments of educational assistance allowance shall be made each month in advance, subject to such reports and proof of satisfactory pursuit of such program as the Administrator may require. The Administrator may withhold the final payment of an enrollment period until such proof is received and the amount appropriately adjusted. If the eligible person fails to pursue the course after receiving the initial payment of the educational assistance allowance, the amount of such advance payment may be recovered from any benefit otherwise due to the eligible person under any law administered by the Veterans' Administration or such over payment shall constitute a liability of such eligible person and may be recovered in the same manner as any other debt due the United States."

SEC. 204. Subchapter IV of chapter 34 of title 38, United States Code, is amended by inserting immediately after section 1687 the folowing new section:

"§ 1688. Veteran-student employment

"(a) Notwithstanding any other provision of law, the Administrator is authorized to utilize on an intermittent basis the services of veteran-students who are pursuing full-time programs of education or training under chapters 31 and 34 of this title. Such veteran-students may be utilized to perform such services for the Veterans Administration at such times and places as the Administrator deems advisable.

"(b) Veteran-students utilized under the authority of subsection (a) of this section shall be paid an hourly rate equivalent to the minimum rate for a grade in the General Schedule contained in section 5332 of title 5, determined by the Administrator to be appropriate for the services rendered. Such grade determination may, at the Administrator's discretion, be based upon, but shall not be subject to, position classification standards issued by the Civil Service Commission pursuant to section 5105 of title 5.

"(c) While performing the services authorized by subsection (a) of this section, such veteran-students shall not be deemed to be employees of the United States for the purposes of laws administered by the Civil Service Commission. They shall, however, be considered to be employees of the United States for the purposes of the benefits of chapter 81 of title 5."

TITLE III—EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

SEC. 301. Section 1671 of title 38, United States Code, is amended to read as follows:

"Any eligible veteran, or individual on active duty, who desires to initiate a program of education under this chapter shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The application of an individual on active duty must be approved by a service education officer prior to its submission. The Administrator shall approve such application unless he finds that such veteran or individual is not eligible for or entitled to the educational assistance applied for, or that his program of education fails to meet any of the requirements of this chapter, or that he is already qualified. The Administrator shall notify the eligible veteran or individual of the approval or disapproval of his application."

SEC. 302. Clause (3) of subsection (b) of section 1675 of title 38, United States Code, is amended by inserting after the words "general locality" the following: "or where the school has made a complete move with substantially the same faculty, curricula, and students, without a change in ownership".

SEC. 303. Subchapter III of chapter 34 of title 38, United States Code, is amended by inserting immediately after section 1677 the following new section:

"§ 1678. Correspondence courses

"(a) (1) Each eligible veteran who is pursuing a program of education exclusively by correspondence shall be paid an educational assistance allowance computed at the rate of 90 per centum of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran. The term 'established charge' as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to the veteran, whichever is the lesser. Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the veteran and serviced by the institution.

"(2) The period of entitlement of any veteran who is pursuing any program of education exclusively by correspondence shall be charged with one month for each $190 which is paid to the veteran as an educational assistance allowance for such course.

"(b) In any case where an eligible veteran terminates his correspondence training before completing the required number of lessons, the institution shall make a pro rata refund of moneys paid by such veteran and, in addition, such institution shall not charge the veteran with any registration or similar fee in excess of $50."

SEC. 304. Section 1682 of title 38, United States Code, is amended by—

(a) repealing subsection (c) thereof in its entirety; and

(b) redesignating subsection (d), as amended by section 102 (d) of title I of this Act, as subsection (c).

SEC. 305. Section 1684 of title 38, United States Code, is amended by adding at the end of subsection (a) the following new sentence: "Notwithstanding the provisions of clause (2) of this subsection, in the case of an institution offering undergraduate courses leading to a standard college degree which are measured on a quarter- or semester-hour basis and technical courses which are measured on a clock-hour basis, any of such courses as determined by the educational institution shall be measured on a semester-hour basis for the purpose of computing the educational assistance allowance payable under this chapter."

SEC. 306. (a) The heading for subchapter VI of chapter 34 of title 38, United States Code, is amended by striking out "PREDISCHARGE" and inserting in lieu thereof "PREPARATORY".

(b) Subsection (a) of section 1695 of title 38, United States Code, is amended to read as follows:

"(a) The purpose of this subchapter is to encourage and assist veterans in preparing for their future education, training, or vocation by providing them with an opportunity to enroll in and pursue a program of education or training prior to their discharge or release from active duty with the Armed Forces.

The program provided for under this subchapter shall be known as the Preparatory Education Program (PREP)."

SEC. 307. Subsection (a) of section 1701 of title 38, United States Code, is amended as follows:

(1) by amending paragraph (6) to read as follows:

"(6) The term 'educational institution' means any public or private secondary school, vocational school, correspondence school, business school, junior college, teachers' college, college, normal school, professional school, university, or scientific or technical institution, or any other institution if it furnishes education at the secondary school level or above."; and

(2) by adding at the end thereof the following new paragraph:

"(9) For the purposes of this chapter and chapter 36 of this title, the term 'training establishment' means any establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprenticeship committee, or the Bureau of Apprenticeship and Training established pursuant to chapter 4C of title 29, or any agency of the Federal Government authorized to supervise such training."

SEC. 308. Section 1720 of title 38, United States Code, is amended by inserting after the first sentence in subsection (a) thereof, a new sentence as follows: "Such counseling shall not be required where the eligible person has been accepted for, or is pursuing, courses which lead to a standard college degree, at an approved institution."

SEC. 309. The first sentence of subsection (c) of section 1723 of title 38, United States Code, is amended to read as follows:

"The Administrator shall not approve the enrollment of an eligible person in any course of institutional on-farm training, any course to be pursued by correspondence (except as provided in section 1727 of this chapter), open circuit television (except as herein provided), or a radio, or any course to be pursued at an educational institution not located in a State or in the Republic of the Philippines."

SEC. 310. Clause (3) of subsection (b) of section 1725 of title 38, United States Code, is amended by inserting after the words "general locality" the following: "or where the school has made a complete move with substantially the same faculty, curricula, and students, without a change in ownership."

SEC. 311. Subchapter III of chapter 35, of title 38, United States Code, is amended by inserting immediately after section 1725 the following new sections:

"§1726. Special training for the educationally disadvantaged

"(a) In the case of any eligible widow or wife who—

"(1) has not received a secondary school diploma (or equivalancy certificate), and

"(2) in order to pursue a program of education for which she would otherwise be eligible, needs additional secondary schooltraining, either refresher courses or deficiency courses, to qualify for admission to an appropriate educational institution, the Administrator may, without regard to the provisions of section 1723 (d), approve the enrollment of such widows or wives in an appropriate course or courses to be pursued in a State.

"(b) The Administrator shall pay eligible widows or wives pursuing a course or courses pursuant to subsection (a) of this section an educational assistance allowance as provided in sections 1731 and 1732 of this chapter; except that no enrollment in adult evening secondary school courses shall be approved in excess of half-time training as defined in section 1733 of this title.

"(c) The educational assistance allowance authorized by this section shall be paid without charge to any period of entitlement the widow or wife may have pursuant to sections 1710 and 1711 of this chapter."

"§ 1727. Correspondence courses

"(a) (1) Each eligible wife or widow (as defined in section 1701 (a) (1) (B), (C), or (D) of this chapter) who is pursuing a program of education exclusively by correspondence shall be paid an educational assistance allowance computed at the rate of 90 per centum of the established charge which the institution requires other individuals enrolled in the same program to pay. The term 'established charge' as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to such eligible person, whichever is the lesser. Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the eligible person and serviced by the institution.

"(2) The period of entitlement of any eligible person who is pursuing any program of education exclusively by correspondence shall be charged with one month for each $190 which is paid to the eligible person as an educational assistance allowance for such course.

"(b) In any case where an eligible person terminates his correspondence training before completing the required number of lessons, the institution shall make a pro rata refund of moneys paid by such eligible person and, in addition, such institution shall not charge the eligible person with any registration or similar fee in excess of $50."

SEC. 312. Section 1731 of title 38, United States Code, is amended by—

(a) inserting in clause (2) of subsection (b) immediately after the words "standard college degree" the following: "(excluding programs of apprenticeship and programs of other on-job training authorized by section 1738 of this title)"; and

(b) amending subsection (e) to read as follows:

"(e) No educational assistance allowance shall be paid to an eligible person enrolled in a program of education consisting exclusively of correspondence courses for any period until the Administrator shall have received (1) from the eligible person a certificate as to the number of lessons actually completed by the eligible person and serviced by the institution, and (2) from the educational institution, a certification, or an endorsement on the eligible person's certificate, as to the number of lessons completed by the eligible person and serviced by the institution."

SEC. 313. Clause (2) of subsection (a) of section 1732 of title 38, United States Code, is amended by adding at the end thereof the following: "Notwithstanding provisions of section 1731 of this title, payment of the educational assistance allowance provided by this clause may be made to an eligible person in an amount computed for the entire quarter, semester, or term during the month immediately following the month in which certification is received from the educational institution that the person has enrolled in and is pursuing a program at such institution."

SEC. 314. Subsection (a) of section 1733 of title 38, United State Code, is amended to read as follows:

"(a) For the purposes of this chapter—

"(1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with no more than two and one-half hours of rest periods per week allowed;

"(2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction (which may include customary intervals not to exceed ten minutes between hours of instruction) is required;

"(3) an academic high school course requiring sixteen units for a full course shall be considered a full-time course when a minimum of four units per year is required.

For the purpose of this clause, a unit is defined to be not less than one hundred and twenty sixty-minute hours or their equivalent of study in any subject in one academic year;

"(4) an institutional undergraduate course offered by a college or university on a quarter- or semester-hour basis shall be considered a full-time course when a minimum of fourteen semester hours or the equivalent thereof, for which credit is granted toward a standard college degree (including those for which no credit is granted but which are required to be taken to correct an educational deficiency), is required, except that where such college or university certifies, upon the request of the Administrator, that (A) full-time tuition is charged to all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, or (B) all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, are considered to be pursuing a full-time course for other administrative purposes, then such an institutional undergraduate course offered by such college or university with such minimum number of such semester hours shall be considered a full-time course, but in the event such minimum number of semester hours is less than twelve semester hours or the equivalent thereof, then twelve semester hours or the equivalent thereof shall be considered a full-time course; and

"(5) a program of apprenticeship or a program of other on-job training shall be considered a full-time program when the eligible person is required to work the number of hours constituting the standard workweek of the training establishment, but a workweek of less than thirty hours shall not be considered to constitute full-time training unless a lesser number of hours has been established as the standard workweek for the particular establishment through bona fide collective bargaining. Notwithstanding the provisions of clause (2) of this subsection, in the case of an institution offering undergraduate courses leading to a standard college degree which are measured on a quarter or semester-hour basis and technical courses which are measured on a clock-hour basis any such courses as determined by the educational institution shall be measured on a semester-hour basis for the purpose of computing the educational assistance allowance payable under this chapter."

SEC. 315. Subchapter IV of chapter 35 of title 38, United States Code, is amended by inserting immediately after section 1737 the following new section:

"§ 1738. Apprenticeship or other on-job training

"(a) An eligible person (as defined in section 1701 (a) of this chapter) may receive the benefits of this chapter while pursuing, in a State, a full-time—

"(1) program of apprenticeship approved by a State approving agency as meeting the standards of apprenticeship published by the Secretary of Labor pursuant to section 50a of title 29, or

"(2) program of other training on the job approved under the provisions of section 1777 of this title, subject to the conditions and limitations of this chapter with respect to educational assistance.

"(b) (1) The monthly training assistance allowance of such eligible person pursuing a program described under subsection (a) shall be (A) $160 during the first six-month period. (B) $120 during the second six-month period, (C) $80 during the third six-month period, and (D) $40 during the fourth and any succeeding six-month period.

"(2) In any month in which an eligible person pursuing a program of apprenticeship or a program of other on-job training fails to complete one hundred and twenty hours of training in such month, the monthly training assistance allowance set forth in subsection (b) (1) of this section shall be reduced proportionately in the proportion that the number of hours worked bears to one hundred and twenty hours rounded off to the nearest eight hours.

"(c) For purposes of this chapter and chapter 36 of this title, the terms 'program of apprenticeship' and 'program of other on-job training' shall have the same meaning as 'program of education'; and the term 'training assistance allowance' shall have the same meaning as 'educational assistance allowance'."

SEC. 316. Section 1777 of title 38, United States Code, is amended—

(a) by amending clauses (1) and (2) of subsection (b) to read as follows:

"(1) the wages to be paid the eligible veteran or eligible person (A) upon entrance into training, are not less than the wages paid other nonveterans in the same training position and are at least 50 per centum of the wages paid for the job for which he is to be trained, and (B) such wages will be increased in regular periodic increments until, not later than the last full month of the training period, they will be at least 85 per centum of the wages paid for the job for which such eligible veteran or eligible person is being trained; and

"(2) there is reasonable certainty that the job for which the eligible veteran or eligible person is to be trained will be available to him at the end of the training period."; and

(b) by inserting "or eligible person" immediately after "eligible veteran" each place it appears in subsection (c).

SEC. 317. The table of sections at the beginning of chapter 34 of title 38, United States Code, is amended by:

(a) inserting immediately after

"1677. Flight training."

the following:

"1678. Correspondence courses.";

(b) inserting immediately after

"1687. Discontinuance of allowances."

the following:

"1688. Veteran-student employment."; and

(c) striking out

"SUBCHAPTER VI—PREDISCHARGE EDUCATION PROGRAM"

and inserting in lieu thereof:

"SUBCHAPTER VI—PREPARATORY EDUCATION PROGRAM",

SEC. 318. The table of sections at the beginning of chapter 35 of title 38, United States Code, is amended by:

(a) inserting immediately after

"1725. Period of operation for approval."

the following:

"1726. Special training for the educationally disadvantaged.
"1727. Correspondence courses.",

and

(b) inserting immediately after

"1737. Specialized vocational training courses."

the following:

"1738. Apprenticeship or other on-job training.".

TITLE IV—EFFECTIVE DATES

SEC. 401. Titles I and II of this Act shall become effective on the first day of the second calendar month following the month in which enacted.

SEC. 402. Section 303 of this Act shall become effective upon the first enrollment of an eligible veteran which occurs on or after the first day of the second calendar month following the month in which enacted.

SEC. 403. Section 305 and the last sentence of section 314 of this Act shall become effective upon the first enrollment or subsequent reenrollment of an eligible veteran or person which occurs after the effective date of the enactment of this Act.

[No. 89]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., February 15, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: This will respond to your request for a report by the Veterans' Administration on S. 3059, 92d Congress, a bill to amend chapters 31, 34, and 35 of title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to eligible veterans and persons; to provide for advance educational assistance payments to certain veterans; to make improvements in the educational assistance programs; and for other purposes.

This measure is identical to draft legislation submitted to the President of the Senate by my letter dated November 27, 1971, which was referred to you committee on November 30, 1971. The draft legislation is designed to present a comprehensive proposal which would provide rate increases in all vocational rehabilitation and educational assistance programs, provide for an advance subsistence-educational assistance payment plan, and provide for desired technical changes in the educational benefit programs for veterans and dependents.

As I stated in my letter to your committee dated December 17, 1971, we were informed by the Office of Management and Budget that enactment of the draft proposal would be consistent with the objectives of the administration.

Sincerely,

DONALD E. JOHNSON,
Administrator.

[No. 103]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., March 13, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request of January 27, 1972 for the views of this Office on S. 3059, a bill to amend chapters 31, 34, and 35 of title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to eligible veterans and persons; to provide for advance educational assistance payments to certain veterans; to make improvements in the educational assistance programs; and for other purposes.

S. 3059 is identical to a draft bill submitted to the Congress on November 27, 1971, entitled the "Veterans' Education and Training Amendments of 1971." The bill would increase educational assistance allowances for veterans under the Veterans' Readjustment Benefits Act and for wives, children and widows under the War Orphans and Widows Educational Assistance Act. In addition, S. 3059 would permit advance payment of subsistence and educational allowances and would provide for a number of adjustments in the basic GI bill educational program needed to improve educational opportunities for veterans and their dependents.

We believe these proposals represent a positive and balanced approach to meeting the educational needs of our Nation's veterans and their families. Accordingly, we recommend favorable consideration of the bill. Enactment of S. 3059 would be consistent with the objectives of the administration.

Sincerely,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

[No. 67]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., November 27, 1971.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft bill to amend chapters 31, 34, and 35 of title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to eligible veterans and persons; to provide for advance educational assistance payments to certain veterans; to make improvements in the educational assistance program; and for other purposes.

The draft bill presents in one comprehensive form a measure which would provide desirable technical changes in the educational benefit program, including an advance pay proposal which has already been presented to the Congress, and rate increases in all educational benefit programs provided under the GI bill. These rate changes represent, for the most part, an increase of 8.6 percent which reflects the rise in consumer prices since the last veteran's educational allowance rate adjustment became effective on February 1, 1970. Larger increases, approximating 48 percent, are provided in the on-job and apprentice programs since experience has shown that this is the area of greatest need and it is believed that such upward adjustment will materially aid in stimulating job opportunities for veterans.

A detailed section-by-section analysis of the provisions of the draft bill, including cost estimates for each section, is also enclosed.

We request that this bill be introduced and strongly recommend its favorable consideration.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this proposed legislation to the Congress.

Sincerely,

DONALD E. JOHNSON, *Administrator.*

SECTION-BY-SECTION ANALYSIS AND COST ESTIMATE OF DRAFT BILL

TITLE I—VOCATIONAL REHABILITATION-EDUCATIONAL ASSISTANCE RATE ADJUSTMENTS

This title provides rate increases in all areas of educational benefits under chapters 31, 34 and 35 of title 38. With the exception of on-job and apprentice benefits, the rate changes, for the most part, approximate 8.6 percent. This percentage represents the increase in the cost of living which has occurred since the last general rate increase became effective on February 1, 1970. The rate increases provided for on-job and apprentice trainees approximate 48 percent. Experience has shown that these are the areas where the greatest need occurs and the larger increases will provide incentives to stimulate job opportunities for veterans.

Section 101

Subsection (a) of this section amends section 1504(b) to provide increases in the monthly subsistence allowance rates for veteran-trainees who are pursuing vocational rehabilitation training courses. The rate for a single veteran without dependents who is pursuing full-time institutional training would be increased from $135 per month to $146 per month. Comparable increases are provided for those trainees pursuing part-time training and for those pursuing institutional on-farm, apprentice, or other on-job training full time.

Subsection (b) amends section 1507 to increase the amount of the loan which may be made to trainees from $100 to $200.

Section 102

Subsection (a) of this section amends section 1677(b) to increase the monthly entitlement charge for flight training courses from $175 to $190 per month.

Subsection (b) amends the table contained in paragraph (1) of section 1682(a) to increase the monthly educational assistance rates for veterans pursuing full-time, three-quarter-time and a half-time institutional educational courses. The rates for cooperative training would also be increased. The single veteran without dependents who is pursuing a full-time institutional course would, for example, be increased from the current $175 monthly rate to $190 per month.

Subsection (c) amends section 1682(b) to increase the rates for educational pursuits by servicemen on active duty and for those pursuing less than half-time courses to $190 per month.

Subsection (d) amends section 1682(d)(2) to increase the rates for pursuit of agricultural cooperative programs. The single veteran without dependents pursuing a full-time course would, for example, be increased from $141 per month to $153 per month.

Subsection (e) amends section 1683(b) to increase the monthly training assistance rates for veterans pursuing apprentice and on-job training programs.

Subsection (f) amends section 1696(b) to increase the educational assistance allowance maximum for persons pursuing PREP courses from $175 to $190 per month.

Section 103

Subsection (a) of this section amends section 1732(a)(1) to increase the rate of educational assistance allowance payable to children, widows and wives pursuing educational programs under chapter 35. The rate increases apply to full-time, three-quarter-time and half-time training. The full-time rate, for example, would be increased from $175 to $190 per month.

Subsection (b) amends section 1732(a)(2) to increase the monthly educational assistance rate payable in the case of eligible persons pursuing programs of education on a less than half-time basis.

Subsection (c) amends section 1683(b) to increase the monthly educational assistance rate payable in the case of eligible persons pursuing cooperative education courses which consist of institutional courses and alternate phases of training in a business or industrial establishment.

Subsection (d) amends section 1742(a) to increase the special restorative training assistance allowance to those children who are in need of special restorative training.

It is estimated that cost of title I of the proposal would approximate $175 million for the first full year.

No change is made in title I of the bill to increase the benefit rate for correspondence course training. Section 303 of title III of the draft bill adds a new section 1678 to replace section 1682(c) of title 38 which currently authorizes such training. The current provisions are repealed by section 304. In enacting the new section, the benefit rate for such training is raised from $175 to $190 per month, a figure which is identical with the higher rate provided for flight training.

TITLE II—ADVANCE VOCATIONAL REHABILITATION SUBSISTENCE AND EDUCATIONAL ASSISTANCE ALLOWANCE PAYMENT

Section 201

This section would amend section 1504(a) to authorize the Administrator to make an initial advance payment of the subsistence allowance granted under chapter 31 to veterans enrolled in a vocational rehabilitation training program on a half-time or more basis, plus the allowance for one full month, upon receipt of proof that the eligible veteran has been enrolled in an approved educational institution. Such payment would be made not earlier than the first of the month in which pursuit of the program is to commence. Thereafter, payments would continue to be made in advance at the beginning of each month in which the veteran pursues his program of training. Administrative control over the propriety of such payment is provided for by authorizing the Administrator to withhold final payment to such veteran until proof of satisfactory pursuit of the program is furnished.

Section 202

This section would amend subsections (d) and (e) of section 1681 to authorize the Administrator to make an initial advance payment of the educational assistance allowance granted under chapter 34 to veterans enrolled in an educational institution on a half-time or more basis on the same premise as provided under section 201 of this title for vocational rehabilitation trainees. Certification requirements for the pursuit of flight training and correspondence courses pursued under chapter 34 would be retained.

Section 203

This section would amend subsection (d) of section 1731 to extend the advance pay principle to eligible wives, widows, and children who are pursuing educational programs on a half-time or more basis under chapter 35.

Section 204

This section would add a new section 1688 to chapter 34 setting forth new language which would give the Administrator authority to employ, as intermittent employees, veteran-students enrolled in full-time programs of education or training under chapters 31 and 34. This would diversify current Veterans Administration's authority to hire these veteran-students and utilize their services at such times and places as the Administrator deems advisable. This new section would also authorize the Administrator to pay the going rate for the job classification for the work which would be performed.

No cost would be incurred if title II were to be enacted, but additional outlays would be required in the first fiscal year of approximately $89 million because of advances made in that year which would normally not be paid until the following fiscal year. This amount would, however, be recouped from subsequent payments made to these veterans or eligible persons.

The proposal incorporated in section 202 of this title is virtually identical with a proposal transmitted to the Congress on January 26, 1971. This advance pay principle has been expanded to include veterans training under chapter 31 and wives, widows and children training under chapter 35.

TITLE III—EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

Section 301

This section amends section 1671 of title 38, United States Code, to require a serviceman's application for GI Bill education benefits be approved by a service education officer before it may be considered by the Administrator.

By requiring such approval, an opportunity would be available to discuss with the serviceman the various courses of training which he might pursue. This would acquaint him with the educational opportunities not only from commercial correspondence programs but from all sources. The service education officer could determine whether the program of education selected by the serviceman is suitable for his aptitudes and could be satisfactorily completed within the limits of his present environment.

It is estimated that this section would not result in any additional cost.

Section 302

This section would amend clause (3) of subsection (b) of section 1675 to add new language to the so-called two-year rule authorizing enrollment of veterans in courses where the school has made a complete move to a new location outside the general locality of its former site, where it is determined that the school has substantially retained the same faculty, curricula and students, without a change in ownership.

Under current law the Administrator may not approve the enrollment of veterans in any course offered by an educational institution where such course has been in operation for less than two years. Clause (3) of subsection (b) of section 1675 presently states that where a course has been offered for more than two years, veterans may be enrolled in such a course even though the school has moved to another location within the same general locality. By regulation, (VAR 14251 (D)), the term "same general locality" has been defined to mean a move to a new location within normal commuting distance of the original location. This regulation also states that in such a case the faculty, student body and curricula must remain essentially the same.

Established schools may find it necessary to relocate as additional facilities are required to meet demands caused by increases in the number of students such as the need for library space and the need for additional classrooms. The application of VAR 14251(D) with reference to a move within the "same general locality" may have different application where the school is in a city rather than a rural area.

Under the proposed change, the determination would be made based upon the individual facts as found in each case. Primary importance would be placed on such factors as (1) retention of faculty, (2) no change in ownership, (3) substantially the same student body, and (4) the same curriculum.

It is estimated that enactment of this section would not result in any additional cost.

Section 303

This section would add a new section 1678 to chapter 34 of title 38, United States Code, to bring into one section the applicable law pertaining to correspondence courses.

Subsection (a)(1) of the new section provides for computation of the educational assistance allowance based upon 90 percent of the established charge which the institution requires nonveterans to pay for pursuit of the same course or courses.

Current law (section 1682(c)(1)) provides for computation based on the full cost of the program. This is the only program which will return to the veteran the full cost of his tuition. It also is training which permits the trainee to train at any pace he chooses, thereby allowing him to pursue vocation or avocation as he wills. In all other training programs authorized under chapter 34, the veteran has a stake in his own training by meeting a part of the cost of his own education. By requiring the eligible veteran to pay a minimal 10 percent of the cost of the course, he will have such a stake and will give greater thought to his choice of a training objective and the means of achieving his goal.

This change would have the effect of placing the correspondence training program on a par with flight training in that the veteran, under both programs, would be required to pay a minimal amount towards his own education. This subsection also increases the benefit payable under the correspondence training program by providing that a veteran's entitlement would be charged with one month for each $190 paid to him as an educational assistance allowance instead of the current $175 figure. This is the same benefit which is provided a veteran under title I of the bill who is pursuing a flight training program.

The remainder of this new subsection merely represents a duplication of language which is contained in current law.

Subsection (b) of the new section would require institutions offering correspondence courses to have a pro-rata refund policy premised upon the number of lessons serviced and would allow a maximum registration or similar fee of $50.

Courses offered by educational institutions are approved for the training of veterans who will receive educational assistance under two standards. Those courses which have been accredited require less supervision and control by state authorities than those which are non-accredited. This proposal would make one uniform standard for all correspondence schools, a change we believe will be equitable and will provide protection for veterans in those areas where it has been alleged that abuses have occurred.

It is estimated that enactment of this provision would result in direct benefit savings as follows:

Direct benefit savings

	Millions
1st	$7
2d	8
3d	8
4th	6
5th	6
Total 5-year savings	35

Section 304

This section is technical in nature and merely reflects the shift of certain provisions concerning correspondence courses currently contained in section 1682 of title 38 to the new section 1678 proposed to be set up by section 303.

Section 305

This section would amend section 1684 of title 38 to provide for the measurement of trade or technical courses, given at an institution offering courses leading to a standard college degree, on a semester hour basis for the purpose of payment of the educational assistance allowance.

Current law (section 1684(a)(2)) provides for the measurement of the trade or technical courses on a clock-hour basis with a minimum of 25 hours weekly to qualify for full-time attendance.

Junior colleges and community colleges are offering both professional courses as part of a degree program and technical courses which generally may lead to certification for a trade or a technical license. The college courses are measured on a credit hour or semester hour basis. (Under a conversion formula equivalent semester hours are determined where a course is offered on a quarterly, trimester, or other time basis.) The technical courses are measured on a clock hour basis. They are both given in the same school, and meet the same high educational standards established by the accrediting association for the area. There has been vocal dissatisfaction raised in these schools by veterans where they attend courses at the same school but are paid under different criteria. The standards established for these courses at these college-level institutions generally insures quality training is being offered equivalent to the college level courses which are measured on a credit-hour basis. The change in language recommended would permit the school to have the technical courses which meet their high standards for college-level work measured on a semester-hour basis.

It is estimated that there would be no significant additional cost should this section be enacted.

Section 306

This section would amend the PREP program authorized by subchapter VI of chapter 34 of title 38.

Subsection (a) of this section amends the subchapter heading to change the name of the program from Predischarge Education Program to Preparatory Education Program.

Although eligibility for PREP assistance begins early in military service (after completion of 181 days of active service), many servicemen consider the program to be one designed for an individual who is about to leave military service. The present name of the program—Predischarge Education Program—accounts for a good deal of this confusion. Therefore, to help alleviate this misunderstanding the name would be changed to Preparatory Education Program.

Subsection (b) changes the purpose section (section 1695(a)) of the program to incorporate the change in the name of the program from Predischarge to Preparatory Education Program.

Section 307

This section amends subsection (a) of section 1701 of title 38 to make two changes. The first revision amends paragraph (6) to include correspondence schools within the definition of "educational institution." This change is made necessary by the addition, in section 311 of the draft proposal, of a new section 1727 to chapter 35 permitting wives and widows to pursue correspondence courses. The rationale and cost estimate for this new section are set forth in the discussion of section 311 of this analysis.

The second change adds a new paragraph (9) adding the term "training establishment" to the definitions currently applicable to chapter 35.

Under current law, wives, widows, and children are entitled to other educational benefits, but they are not eligible to pursue apprentice or other on-job training programs. The change made in this section (as well as those changes made in chapter 35 by sections 309, 312(a), 314, 315, and 316 of this bill) extend such training opportunities to them.

A college education may not be suitable for everyone. Offering these individuals the opportunity to pursue on-job and apprenticeship training programs would afford those desiring post high school training another way of entering an occupation. Such programs would also offer forms of training in which these individuals would be able to receive high financial reward upon completion.

It is estimated that enactment of this program, which is limited by the proposed new section 1738(a) to pursuit of training in a State, would result in the following costs:

[Dollars in millions]

Fiscal year[1]	Number of individuals	Direct benefits cost
1st	2,500	$1.4
2d	4,500	4.8
3d	6,000	5.4
4th	6,100	5.0
5th	6,100	4.7
5-year total		21.3

In making this estimate, we have assumed an effective date of the 3d quarter of fiscal year 1972.

Section 308

This section would amend section 1720 of title 38 to eliminate mandatory counseling for certain children training under the provisions of chapter 35.

Current law (section 1720) provides that the Administrator shall arrange for counseling for all children entering training under chapter 35 to assist the parent or guardian and the child in selecting an educational or vocational objective.

Under the chapter 35 program, the Government acts as a substitute parent standing in the place of the deceased or disabled parent in providing financial assistance to enable the child to pursue his education. The responsibility imposed by law calls for the furnishing of this counseling assistance in helping the child in making a reasonable choice of an objective.

There are, however, many cases where a child is already enrolled at or is attending a college and it can be assumed that in those cases a reasonable choice has been made and a suitable objective chosen. Mandatory counseling is an obvious duplication in such cases. While the mandatory requirement would be removed, any further counseling or guidance the child might need would still be available through the school or the Veterans Administration, if requested.

It is estimated that enactment of this section would result in savings in the program of approximately $1 million per year over the next five years.

Section 309

This section amends section 1723 of title 38 to eliminate the bar on pursuit of apprentice and other on-job training programs by chapter 35 beneficiaries. The rationale for this change is elaborated on in the analysis of section 307. This section also exempts widows and wives from the bar on pursuit of correspondence course training. The rationale for this change is elaborated on in the analysis of section 311.

Section 310

This section would amend clause (3) of subsection (b) of section 1725 of title 38 to add new language to the so-called two-year rule authorizing enrollment of chapter 35 individuals in courses where a school has made a complete move to a new location outside the general locality of its former site.

This provision is identical with the one contained in section 302 of the proposal and the discussion and rationale set forth in the discussion of that section apply equally to this section.

It is estimated that enactment of this section would not result in any additional cost.

Section 311

This section would add a new section 1726 to subchapter III of chapter 35 to provide authority for eligible wives and widows to pursue secondary level training without charge to their basic entitlement. Similar authority has already been given educationally disadvantaged veterans by section 1691 of chapter 34. The authority granted here would be a logical extension of similar benefits to educationally disadvantaged wives and widows. These individuals, due to the death or disability of their veteran-husbands, are required to assume the responsibility for support of themselves and their families. By permitting them to pursue secondary level training they would be given an opportunity to obtain the necessary training required for entrance into higher education without losing their follow-on eligibility for college training.

In extending this authority, pursuit would be limited to training within a State. This has the effect of eliminating secondary training for Philippine wives and widows. It should be pointed out that the majority of those individuals who would be made eligible are already over the age of 50 and the purpose of the program would be of little benefit to them. Further, most of them have already taken advantage of the vocational training benefits previously provided to them under chapter 35 and thus they have been trained for a vocation designed to help them support themselves and their families.

It is estimated that enactment of this proposal would result in the following costs:

Fiscal year	Number of individuals	Direct benefits cost
1st	700	$784,000
2d	2,000	2,240,000
3d	2,300	2,576,000
4th	2,200	2,464,000
5th	1,700	1,904,000
Total 5-year cost		9,968,000

This section would also add a new section 1727 to subchapter III of chapter 35 to provide authority for eligible wives and widows to pursue correspondence courses. This would provide these wives and widows with still another means of obtaining an education which would aid them in helping to support themselves and their families in the manner in which the veteran, but for his death or disability, would have provided for them. The extension of correspondence school training to wives and widows would be subject to these same safeguards proposed for veterans under section 303 of the draft bill. In essence, this means that the entitlement of a widow or wife would be charged one month for each $190 paid to her in the form of an educational assistance allowance; the educational assistance would be computed based upon 90 percent of the established charge which the institution requires other individuals pursuing the same program to pay; and would require institutions offering correspondence courses to have a pro rata refund policy premised upon the number of lessons serviced and would allow a maximum registration or similar fee of $50.

It is estimated that enactment of this new authority would result in costs ranging from under $500,000 in the first year to approximately $1 million in the fifth year. There is no experience in the chapter 35 program to use as an indicator of any precise figures.

Section 312

Subsection (a) of this section amends clause (2) of subsection (b) of section 1731 of title 38 to exempt programs of apprentice or other on-job training pursued by wives, widows and children under the authority of the new section 1738 added to chapter 35 by section 315 of this bill from the absence counting provisions for courses not leading to college degrees. This would equate such measurement with that presently applicable to apprentice and on-job training programs pursued by veterans under chapter 34. (The estimated cost of the apprentice, on-job programs is set forth in section 307 of the analysis.)

Subsection (b) has two purposes. First, it repeals the present language of subsection (e) of section 1731 which is no longer applicable in view of the advance payment proposal set forth in section 203 of this draft bill. Second, it would establish a requirement, comparable to that now applicable to correspondence courses pursued by veterans under chapter 34, that correspondence course benefits may not be paid to those wives and widows made eligible to pursue such training by the new section 1727 added by section 311 of the draft bill until the Administrator has received a certification from the eligible person and the institution as to the number of lessons completed by the eligible person and serviced by the institution. The same requirement is imposed in conjuction with the correspondence program pursued by veterans under chapter 34.

Section 313

This section amends clause (2) of subsection (a) of section 1732 to permit lump sum educational assistance allowance payments to be made to eligible widows, wives and children who are pursuing educational programs on less than a half-time basis. Payment would be made for an entire term, semester or quarter in the month following the month in which certification is received from the educational institution that the person is enrolled in and is pursuing his program of education. This would equate the less than half-time payment system for chapter 35 with that already established for chapter 34. This would improve the administrative procedures for handling these payments.

It is estimated that enactment of this section would not result in any addititonal costs.

Section 314

This section amends subsection (a) of section 1733 to incorporate three revisions. The first inserts a new clause (3) which provides for the measurement of high school courses under chapter 35 so as to accommodate the authority granted by section 311 permitting eligible wives and widows to pursue secondary training. The second inserts a new clause (5) providing for the measurement of certain on-job and apprenticeship training programs which would be permitted under the authority of the new section 1738 added to chapter 35 by section 315 of this proposal. The third change is identical with the one contained in section 305 of the proposal and relates to measurement of technical courses pursued at schools offering degree programs.

Section 315

This section would amend subchapter IV of chapter 35 to insert a new section 1738 which contains the basic authority for the payment of a subsistence allowance to those wives, widows and children who would become eligible to pursue apprentice and other on-job training programs. The rationale for this program is set forth in the analysis of section 307.

Section 316

This section would amend section 1777 of chapter 36 of title 38 to incorporate references to wives, widows and children who would be permitted to pursue programs of apprentice and other on-job training. The rationale for this program is set forth in the analysis of section 307.

Section 317

This section is technical in natue and merely reflects in the table of sections at the beginning of chapter 34 of title 38 the necessary heading changes required to be made because of the proposals made in sections 204, 303 and 306.

Section 318

This section is technical in nature and merely reflects in the table of sections at the beginning of chapter 35 of title 38 of the new sections added to such chapter by sections 311 and 315 of this proposal.

TITLE IV—EFFECTIVE DATES

Section 401

This section provides that the rate adjustments and advance pay provisions contained in titles I and II shall become effective on the first day of the second calendar month following the month in which enacted.

Section 402

This section provides that the provisions of section 303 relating to correspondence course training shall become effective upon the first enrollment of an eligible veteran which occurs on or after the first day of the second calendar month following the month in which enacted.

Section 403

This section provides that the revisions in the law concerning the counting of vocational training in certain institutions (sections 305 and 314) on a semester-hour basis shall become effective when a person affected by such a change either first enrols or at the time of his subsequent re-enrollment ocurring after the effetive date of the enactment of this Act.

92D CONGRESS
2D SESSION

S. 3146

IN THE SENATE OF THE UNITED STATES

FEBRUARY 8, 1972

Mr. BENTSEN introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

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A BILL

To amend chapters 31, 34, and 35 of title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and persons; to provide for advance educational assistance payments to certain veterans; to make improvements in the educational assistance programs; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, **That this Act may be cited as the "Veterans' Education and Training Amendments of 1972".**

II—O

TITLE I—VOCATIONAL REHABILITATION-EDUCATIONAL ASSISTANCE RATE ADJUSTMENTS

SEC. 101. Chapter 31 of title 38, United States Code, is amended as follows:

(a) by amending section 1504(b) to read as follows:

"(b) The subsistence allowance of a veteran-trainee is to be determined in accordance with the following table, and shall be the monthly amount shown in column II, III, or IV (whichever is applicable as determined by the veteran's dependency status) opposite the appropriate type of training as specified in column I:

"Column I	Column II	Column III	Column IV
Type of training	No dependents	One dependent	Two or more dependents
Institutional:			
Full-time	$154	$207	$240
Three-quarter-time	112	152	178
Half-time	76	104	116
Institutional on-farm, apprentice, or other on-job training:			
Full-time	135	175	207

Where any full-time trainee has more than two dependents and is not eligible to receive additional compensation as provided by section 315 or section 335 (whichever is applicable) of this title, the subsistence allowance prescribed in column IV of the foregoing table shall be increased by an additional $7 per month for each dependent in excess of two.";

and

(b) by deleting in section 1507 "$100" and inserting in lieu thereof "$200".

SEC. 102. Chapter 34 of title 38, United States Code, is amended as follows:

(a) by deleting in the last sentence of section 1677 (b) "$175" and inserting in lieu thereof "$200",

(b) the table contained in paragraph (1) of section 1682 (a) is amended to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full time	$200	$234	$262	$15
Three-quarter time	146	173	202	11
Half time	92	114	130	8
Cooperative	161	191	219	11.";

(c) by deleting in section 1682 (b) "$175" and inserting in lieu thereof "$200";

(d) the table contained in section 1682 (d) (2) is amended to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in Column IV, plus the following for each dependent in excess of two:
Full time	$161	$188	$217	$11
Three-quarter time	115	136	157	8
Half time	76	90	105	5.";

(e) the table contained in section 1683 (b) is amended to read as follows:

"Periods of training	No dependents	One dependent	Two or more dependents
First 6 months	$160	$178	$197
Second 6 months	120	136	156
Third 6 months	80	98	117
Fourth and any succeeding 6-month periods	40	58	77.";

and

(f) by deleting in section 1696 (b) "$175" and inserting in lieu thereof "$200".

Sec. 103. Chapter 35 of title 38, United States Code, is amended as follows:

(a) by amending section 1732 (a) (1) to read as follows:

"(a) (1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate of (A) $200 per month if pursued on a full-time basis, (B) $146 per month if pursued on a three-quarter-time basis, and (C) $92 per month if pursued on a half-time basis.";

(b) by deleting in section 1732 (a) (2) "$175" and inserting in lieu thereof "$200";

(c) by deleting in section 1732 (b) "$141" and inserting in lieu thereof "$161"; and

(d) by amending section 1742 (a) to read as follows:

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on his behalf a special training allowance computed at the basic rate of $200 per month. If the charges for tuition and fees applicable to any such course are more than $63 per calendar month the basic monthly allowance may be increased by the amount that such charges exceed $63 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each $6.80 that the special training allowance paid exceeds the basic monthly allowance."

TITLE II—ADVANCE VOCATIONAL REHABILITATION SUBSISTENCE AND EDUCATIONAL ASSISTANCE ALLOWANCE PAYMENTS

SEC. 201. Subsection (a) of section 1504 of title 38, United States Code, is amended by adding at the end thereof the following: "The Administrator shall pay the initial subsistence allowance of a course of vocational rehabilitation training to an eligible veteran in an amount not to exceed the subsistence allowance for the month or fraction thereof in which pursuit of the course will commence, plus the subsistence allowance for one full month, upon receipt of proof that the veteran has been enrolled in an approved educational institution on a half-time or more basis. Such payment shall not be made earlier than the first day of the month in which pursuit of the course is to commence. Subsequent payments of subsistence allowance shall be made each month in advance, subject to such reports and proof of satisfactory pursuit of such program as the Administrator may require. The Administrator may withhold the final payment of subsistence allowance payable to such veteran until such proof is received and the amount appropriately adjusted. If the eligible veteran fails to pursue the course after receiving the initial payment of the subsistence allowance, the amount of such payment may be recovered from any benefit otherwise due the veteran under any law administered by the Veterans' Administration or such overpayment shall constitute a liability of such eligible veteran and may be recovered in the same manner as any other debt due the United States."

SEC. 202. Subsections (d) and (e) of section 1681 of title 38, United States Code, are amended to read as follows:

"(d) The Administrator shall, except as provided in subsection (e) of this section, pay the initial educational assistance allowance of an enrollment period to an eligible veteran in an amount not to exceed the educational assistance allowance for the month or fraction thereof in which pursuit of the program will commence, plus the educational assistance allowance for one full month, upon receipt of proof that the eligible veteran has been enrolled in an approved educational institution on a half-time or more basis. Such payment shall not be made earlier than the first day of the month in which pursuit of the program is to commence. Subsequent payments of educational assistance allowance shall be made each month in advance, subject to such reports and proof of satisfactory pursuit of such program as the Administrator may require. The Administrator may withhold the final payment of an enrollment period until such proof is received and the amount appropriately adjusted. If the eligible veteran fails to pursue the course after receiving the initial payment of the educational assistance allowance, the amount of such advance payment may be recovered from any benefit otherwise due the veteran under any law administered by the Veterans' Administration or such overpayment shall constitute a liability of such eligible veteran and may be recovered in the same manner as any other debt due the United States.

"(c) No educational assistance allowance shall be paid to an eligible veteran enrolled in a program of education consisting exclusively of flight training or exclusively by correspondence for any period until the Administrator shall have received—

"(1) from the eligible veteran a certification as to his actual attendance during such period or, where the program is pursued by correspondence, a certificate as to the number of lessons actually completed by the veteran and serviced by the institution, and

"(2) from the educational institution a certification or an endorsement on the veteran's certificate that such veteran was enrolled in and pursuing a course of education during such period and, in the case of an institution furnishing education to a veteran exclusively by correspondence, a certificate, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution."

SEC. 203. Subsection (d) of section 1731 of title 38, United States Code, is amended to read as follows:

"(d) The Administrator shall pay the initial educational assistance allowance of an enrollment period on behalf of an eligible person in an amount not to exceed the educational assistance allowance for the month or fraction thereof in which pursuit of the program will commence, plus the educational assistance allowance for one full month, upon receipt of proof that the eligible person has been enrolled in an approved educational institution on a half-time or more basis. Such payment shall not be made earlier than the first day of the month in which pursuit of the program is to commence. Subsequent payments of educational assistance allowance shall be made each month in advance, subject to such reports and proof of satisfactory pursuit of such program as the Administrator may require. The Administrator may withhold the final payment of an enrollment period until such proof is received and the amount appropriately adjusted. If the eligible person fails to pursue the course after receiving the initial payment of the educational assistance allowance, the amount of such advance payment may be recovered from any benefit otherwise due the eligible person under any law administered by the Veterans' Administration or such overpayment shall constitute a liability of such eligible person and may be recovered in the same manner as any other debt due the United States."

SEC. 204. Subchapter IV of chapter 34 of title 38, United States Code, is amended by inserting immediately after section 1687 the following new section:

"§ 1688. Veteran-student employment

"(a) Notwithstanding any other provision of law, the Administrator is authorized to utilize on an intermittent basis the services of veteran-students who are pursuing full-time programs of education or training under chapters 31 and 34 of this title. Such veteran-students may be utilized to perform such services for the Veterans' Administration at such times and places as the Administrator deems advisable.

"(b) Veteran-students utilized under the authority of subsection (a) of this section shall be paid an hourly rate equivalent to the minimum rate for a grade in the General Schedule contained in section 5332 of title 5, determined by the Administrator to be appropriate for the services rendered. Such grade determination may, at the Administrator's discretion, be based upon, but shall not be subject to, position classification standards issued by the Civil Service Commission pursuant to section 5105 of title 5.

"(c) While performing the services authorized by subsection (a) of this section, such veteran-students shall not be deemed to be employees of the United States for the purposes of laws administered by the Civil Service Commission. They shall, however, be considered to be employees of the United States for the purposes of the benefits of chapter 81 of title 5."

TITLE III—EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

SEC. 301. Section 1671 of title 38, United States Code, is amended to read as follows:

"Any eligible veteran, or individual on active duty, who desires to initiate a program of education under this chapter shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The application of an individual on active duty must be approved by a service education officer prior to its submission. The Administrator shall approve such application unless he finds that such veteran or individual is not eligible for or entitled to the educational assistance applied for, or that his program of education fails to meet any of the requirements of this chapter, or that he is already qualified. The Administrator shall notify the eligible veteran or individual of the approval or disapproval of his application."

SEC. 302. Clause (3) of subsection (b) of section 1675 of title 38, United States Code, is amended by inserting after the words "general locality" the following: "or where the school has made a complete move with substantially the same faculty, curricula, and students, without a change in ownership".

SEC. 303. Subchapter III of chapter 34 of title 38, United States Code, is amended by inserting immediately after section 1677 the following new section:

"§ 1678. Correspondence courses

"(a) Each eligible veteran who is pursuing a program of education exclusively by correspondence shall be paid an educational assistance allowance computed at the rate of 90 per centum of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran. The term 'established charge' as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to the veteran, whichever is the lesser. Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the veteran and serviced by the institution.

"(b) The period of entitlement of any veteran who is pursuing any program of education exclusively by correspondence shall be charged with one month for each $200 which is paid to the veteran as an educational assistance allowance for such course.

Sec. 304. Section 1682 of title 38, United States Code, is amended by—

(a) repealing subsection (c) thereof in its entirety; and

(b) redesignating subsection (d), as amended by section 102 (d) of title I of this Act, as subsection (c) and, as redesignated, further amending such subsection (1) by adding the following within the parentheses contained in subsection (d) (1) (A): "or five hundred twenty-eight clock hours in such year prescheduled to provide not less than eighty clock hours in any three-month period" and (2) to add the following sentence at the end of paragraph (1): "In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the veteran is enrolled".

Sec. 305. (a) The heading for subchapter VI of chapter 34 of title 38, United States Code, is amended by striking out "**Predischarge**" and inserting in lieu thereof "**Preparatory**".

(b) Subsection (a) of section 1695 of title 38, United

States Code, is amended to read as follows:

"(a) The purpose of this subchapter is to encourage and assist veterans in preparing for their future education, training, or vocation by providing them with an opportunity to enroll in and pursue a program of education or training prior to their discharge or release from active duty with the Armed Forces. The program provided for under this subchapter shall be known as the Preparatory Education Program (PREP)."

(c) Subsection (a) of section 1696 of title 38, United States Code, is amended by inserting immediately after "secondary school diploma, or" the following: "needed to obtain an equivalency certificate, or".

SEC. 306. Subsection (a) of section 1701 of title 38, United States Code, is amended as follows:

(1) by amending paragraph (6) to read as follows:

"(6) The term 'educational institution' means any public or private secondary school, vocational school, correspondence school, business school, junior college, teachers college, college, normal school, professional school, university, or scientific or technical institution, or any other institution if it furnishes education at the secondary school level or above."; and

(2) by adding at the end thereof the following new paragraph:

"(9) For the purposes of this chapter and chapter 36 of this title, the term 'training establishment' means any establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprenticeship committee, or the Bureau of Apprenticeship and Training established pursuant to chapter 4C of title 29, or any agency of the Federal Government authorized to supervise such training."

SEC. 307. Section 1720 of title 38, United States Code, is amended by inserting after the first sentence in subsection (a) thereof a new sentence as follows: "Such counseling shall not be required where the eligible person has been accepted for, or is pursuing, courses which lead to a standard college degree, at an approved institution."

SEC. 308. The first sentence of subsection (c) of section 1723 of title 38, United States Code, is amended to read as follows:

"The Administrator shall not approve the enrollment of an eligible person in any course of institutional on-farm training, any course to be pursued by correspondence (except as provided in section 1727 of this chapter), open circuit television (except as herein provided), or a radio, or any course to be pursued at an educational institution not located in a State or in the Republic of the Philippines."

SEC. 309. Clause (3) of subsection (b) of section 1725 of title 38, United States Code, is amended by inserting after the words "general locality" the following: "or where the school has made a complete move with substantially the same faculty, curricula, and students, without a change in ownership."

SEC. 310. Subchapter III of chapter 35 of title 38, United States Code, is amended by inserting immediately after section 1725 the following new sections:

"§ 1726. Special training for the educationally disadvantaged

"(a) In the case of any eligible widow or wife who—

"(1) has not received a secondary school diploma (or equivalency certificate), and

"(2) in order to pursue a program of education for which she would otherwise be eligible, needs additional secondary school training, either refresher courses or deficiency courses, to qualify for admission to an appropriate educational institution,

the Administrator may, without regard to the provisions of section 1723 (d), approve the enrollment of such widows or wives in an appropriate course or courses to be pursued in a State.

"(b) The Administrator shall pay eligible widows or wives pursuing a course or courses pursuant to subsection (a) of this section an educational assistance allowance as provided in sections 1731 and 1732 of this chapter; except that no enrollment in adult evening secondary school courses shall be approved in excess of half-time training as defined in section 1733 of this title.

"(c) The educational assistance allowance authorized by this section shall be paid without charge to any period of entitlement the widow or wife may have pursuant to sections 1710 and 1711 of this chapter.

"§ 1727. Correspondence courses

"(a) Each eligible wife or widow (as defined in section 1701 (a) (1) (B), (C), or (D) of this chapter) who is pursuing a program of education exclusively by correspondence shall be paid an educational assistance allowance computed at the rate of 90 per centum of the established charge which the institution requires other individuals enrolled in the same program to pay. The term 'established charge' as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to such eligible person, whichever is the lesser. Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the eligible person and serviced by the institution.

"(b) The period of entitlement of any eligible person who is pursuing any program of education exclusively by correspondence shall be charged with one month for each $200 which is paid to the eligible person as an educational assistance allowance for such course."

SEC. 311. Section 1731 of title 38, United States Code, is amended by—

(a) inserting in clause (2) of subsection (b) immediately after the words "standard college degree" the following: "(excluding programs of apprenticeship and programs of other on-job training authorized by section 1738 of this title)"; and

(b) amending subsection (e) to read as follows:

"(e) No educational assistance allowance shall be paid to an eligible person enrolled in a program of education consisting exclusively of correspondence courses for any period until the Administrator shall have received (1) from the eligible person a certificate as to the number of lessons actually completed by the eligible person and serviced by the institution, and (2) from the educational institution, a certification, or an endorsement on the eligible person's certificate, as to the number of lessons completed by the eligible person and serviced by the institution."

SEC. 312. Clause (2) of subsection (a) of section 1732 of title 38, United States Code, is amended by adding at the end thereof the following: "Notwithstanding provisions of section 1731 of this title, payment of the educational assistance allowance provided by this clause may be made to an eligible person in an amount computed for the entire quarter, semester, or term during the month immediately following the month in which certification is received from the educational institution that the person has enrolled in and is pursuing a program at such institution."

SEC. 313. Subsection (a) of section 1733 of title 38, United States Code, is amended to read as follows:

"(a) For the purposes of this chapter—

"(1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with no more than two and one-half hours of rest periods per week allowed;

"(2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction (which may include customary intervals not to exceed ten minutes between hours of instruction) is required;

"(3) an academic high school course requiring sixteen units for a full course shall be considered a full-time course when a minimum of four units per year is required. For the purpose of this clause, a unit is defined to be not less than one hundred and twenty sixty-minute hours or their equivalent of study in any subject in one academic year;

"(4) an institutional undergraduate course offered by a college or university on a quarter- or semester-hour basis shall be considered a full-time course when a minimum of fourteen semester hours or the equivalent thereof, for which credit is granted toward a standard college degree (including those for which no credit is granted but which are required to be taken to correct an educational deficiency), is required, except that where such college or university certifies, upon the request of the Administrator, that (A) full-time tuition is charged to all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, or (B) all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, are considered to be pursuing a full-time course for other administrative purposes, then such an institutional undergraduate course offered by such college or university with such minimum number of such semester hours shall be considered a full-time course, but in the event such minimum number of semester hours is less than twelve semester hours or the equivalent thereof, then twelve semester hours or the equivalent thereof shall be considered a full-time course; and

"(5) a program of apprenticeship or a program of other on-job training shall be considered a full-time program when the eligible person is required to work the number of hours constituting the standard workweek of the training establishment, but a workweek of less than thirty hours shall not be considered to constitute full-time training unless a lesser number of hours has been established as the standard workweek for the particular establishment through bona fide collective bargaining."

SEC. 314. Subchapter IV of chapter 35 of title 38, United States Code, is amended by inserting immediately after section 1737 the following new section:

"§ 1738. Apprenticeship or other on-job training

"(a) An eligible person (as defined in section 1701 (a) of this chapter) may receive the benefits of this chapter while pursuing, in a State, a full-time—

"(1) program of apprenticeship approved by a

State approving agency as meeting the standards of apprenticeship published by the Secretary of Labor pursuant to section 50a of title 29, or

"(2) program of other training on the job approved under the provisions of section 1777 of this title,

subject to the conditions and limitations of this chapter with respect to educational assistance.

"(b) (1) The monthly training assistance allowance of such eligible person pursuing a program described under subsection (a) shall be (A) $160 during the first six-month period, (B) $120 during the second six-month period, (C) $80 during the third six-month period, and (D) $40 during the fourth and any succeeding six-month period.

"(2) In any month in which an eligible person pursuing a program of apprenticeship or a program of other on-job training fails to complete one hundred and twenty hours of training in such month, the monthly training assistance allowance set forth in subsection (b) (1) of this section shall be reduced proportionately in the proportion that the number of hours worked bears to one hundred and twenty hours rounded off to the nearest eight hours.

"(c) For purposes of this chapter and chapter 36 of this title, the terms 'program of apprenticeship' and 'program of other on-job training' shall have the same meaning as 'program of education'; and the term 'training assistance allowance' shall have the same meaning as 'educational assistance allowance'."

Sec. 315. Section 1777 of title 38, United States Code, is amended—

(a) by amending clauses (1) and (2) of subsection (b) to read as follows:

"(1) the wages to be paid the eligible veteran or eligible person (A) upon entrance into training are not less than the wages paid other nonveterans in the same training position and are at least 50 per centum of the wages paid for the job for which he is to be trained, and (B) such wages will be increased in regular periodic increments until, not later than the last full month of the training period, they will be at least 85 per centum of the wages paid for the job for which such eligible veteran or eligible person is being trained; and

"(2) there is reasonable certainty that the job for which the eligible veteran or eligible person is to be trained will be available to him at the end of the training period."; and

(b) by inserting "or eligible person" immediately after "eligible veteran" each place it appears in subsection (c).

Sec. 316. The table of sections at the beginning of chapter 34 of title 38, United States Code, is amended by—

(a) inserting immediately after

"1677. Flight training."

the following:

"1678. Correspondence courses.";

(b) inserting immediately after

"1687. Discontinuance of allowances."

the following:

"1688. Veteran-student employment.";

and

(c) striking out

"SUBCHAPTER VI—PREDISCHARGE EDUCATION PROGRAM"

and inserting in lieu thereof:

"SUBCHAPTER VI—PREPARATORY EDUCATION PROGRAM".

SEC. 317. The table of sections at the beginning of chapter 35 of title 38, United States Code, is amended by—

(a) inserting immediately after

"1725. Period of operation for approval."

the following:

"1726. Special training for the educationally disadvantaged.
"1727. Correspondence courses.",

and

(b) inserting immediately after

"1737. Specialized vocational training courses."

the following:

"1738. Apprenticeship or other on-job training.".

SEC. 318. Section 102 of title 38, United States Code, is amended as follows:

(1) Subsection (b) thereof is amended to read as follows:

"(b) For the purposes of this title, (1) the term 'wife' includes the husband of any female veteran; and (2) the term 'widow' includes the widower of any female veteran."

(2) The heading of said section is amended to read as follows:

"§ 102. Dependent parents; husbands".

SEC. 319. The table of sections at the beginning of chapter 1 of title 38, United States Code, is amended by striking out

"102. Dependent parents and dependent husbands."

and inserting in lieu thereof

"102. Dependent parents; husbands."

TITLE IV—EFFECTIVE DATES

SEC. 401. Titles I and II of this Act shall become effective on the first day of the second calendar month following the month in which enacted.

SEC. 402. Section 303 of this Act shall become effective upon the first enrollment of an eligible veteran which occurs on or after the first day of the second calendar month following the month in which enacted.

92d CONGRESS
2d Session

S. 3345

IN THE SENATE OF THE UNITED STATES

March 14, 1972

Mr. Hartke (for himself and Mr. Thurmond) (by request) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

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A BILL

To amend title 38, United States Code, to increase payments of vocational rehabilitation subsistence under chapter 31, to provide for the payment of tuition, subsistence, and educational assistance allowances on behalf of or to certain eligible veterans pursuing programs of education under chapter 34 of such title, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans' Education and Training Amendments of 1972".

TITLE I—VOCATIONAL REHABILITATION SUBSISTENCE ALLOWANCE INCREASES

Sec. 101. Chapter 31 of title 38, United States Code, is amended as follows:

II

(a) by amending section 1504(b) to read as follows:

"(b) The subsistence allowance of a veteran-trainee is to be determined in accordance with the following table, and shall be the monthly amount shown in column II, III, or IV (whichever is applicable as determined by the veteran's dependency status) opposite the appropriate type of training as specified in column I:

"Column I	Column II	Column III	Column IV
Type of training	No dependents	One dependent	Two or more dependents
Institutional:			
Full-time	$154	$207	$240
Three-quarter time	112	152	178
Half-time	76	104	116
Institutional onfarm, apprentice, or other onjob training:			
Full-time	135	175	207

Where any full-time trainee has more than two dependents and is not eligible to receive additional compensation as provided by section 315 or section 335 (whichever is applicable) of this title, the subsistence allowance prescribed in column IV of the foregoing table shall be increased by an additional $7 per month for each dependent in excess of two.";

and

(b) by deleting in section 1507 "$100" and inserting in lieu thereof "$200".

TITLE II—TUITION, SUBSISTENCE, AND EDUCATIONAL ASSISTANCE ALLOWANCES

SEC. 201. Subchapter IV of chapter 34 of title 38, United States Code, is amended by inserting immediately before section 1681 the following new section:

"§ 1680. Tuition and subsistence assistance allowances for institutional training

"(a) In the case of an eligible veteran not on active duty who is pursuing a program of education or training at an approved educational or training institution on a half-time or more basis, the Administrator shall pay directly to the educational or training institution on behalf of such eligible veteran the customary cost of tuition, and such laboratory, library, health, infirmary, or other similar fees as are customarily charged, and shall pay for books, supplies, equipment, and other necessary expenses, excluding board, lodging, other living expenses, and travel, which similarly circumstanced nonveterans enrolled in the same courses are required to pay.

"(b) In no event shall the payment authorized by subsection (a) of this section exceed $1,000 for an ordinary school year. If the educational or training institution has no customary cost of tuition, a fair and reasonable rate of payment for tuition, fees, or other charges for such course or courses shall be determined by the Administrator.

"(c) In the event a veteran fails to complete his program of education after a tuition assistance allowance has been paid to the educational or training institution on his behalf, the Administrator shall, pursuant to such regulations as he may prescribe, require a pro rata refund of the tuition assistance allowance based upon the uncompleted portion of the school year for which the allowance was paid.

"(d) While pursuing an approved program of education or training, other than cooperative or on-farm training, a veteran eligible for tuition assistance benefits under subsection (a) of this section shall be paid a monthly subsistence allowance as set forth in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the basis shown in column I:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full time	$175	$205	$230	$13
Three-quarter time	128	152	177	10
Half time	81	100	114	7

"(e) (1) An eligible veteran entitled to tuition assistance under subsection (a) of this section and who is enrolled in an educational institution for a 'farm cooperative' program consisting of institutional agricultural courses prescheduled to fall within forty-four weeks of any period of twelve consecutive months and who pursues such program on—

"(A) a full-time basis (a minimum of twelve clock hours per week),

"(B) a three-quarter-time basis (a minimum of nine clock hours per week), or

"(C) a half-time basis (a minimum of six clock hours per week),

shall be eligible to receive a subsistence allowance at the appropriate rate provided in the table in paragraph (2) of this subsection, if such eligible veteran is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator.

"(2) The monthly subsistence allowance of an eligible veteran pursuing a farm cooperative program under this chapter shall be paid as set forth in column II, III, IV, or

V (whichever is applicable as determined by the veteran's dependency status) opposite the basis shown in column I:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full time	$141	$167	$192	$10
Three-quarter time	101	119	138	7
Half time	67	79	92	4

"(f) An eligible veteran, entitled to tuition assistance under subsection (a) of this section, who is enrolled in a 'cooperative program', other than 'farm cooperative' program, shall be paid a monthly subsistence allowance at the same rate paid for full-time 'farm cooperative' training as provided in subsection (e) of this section. For the purpose of this subsection, the term 'cooperative program', other than a 'farm cooperative' program, means a full-time program of education which consists of institutional courses and alternate phases of training in the business or industrial establishment with such training being strictly supplemental to the institutional portion."

SEC. 202. Section 1681 of title 38, United States Code, is amended to read as follows:

"§ 1681. Educational assistance allowances

"(a) An educational assistance allowance shall be paid to each eligible individual pursuing a program of education while on active duty, or to an eligible veteran pursuing a program of education on less than a half-time basis or exclusively by correspondence, as follows:

"(1) The educational assistance allowance of an individual pursuing a program of education—

"(A) while on active duty, or

"(B) on less than a half-time basis,

shall be computed at the rate of (i) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same program to pay, or (ii) $175 per month for a full-time course, whichever is the lesser. Notwithstanding provisions of section 1682 of this title, payment of the educational assistance allowance provided by this subsection may, and the educational assistance allowance provided by section 1696 (b) shall, be made to an eligible veteran in an amount computed for the entire quarter, semester, or term during the month immediately following the month in which certification is received from the educational institution that the veteran has enrolled in and is pursuing a program at such institution.

"(2) (A) The educational assistance allowance of an eligible veteran pursuing a program of education exclusively by correspondence shall be computed at the rate of 90 per centum of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veterans. The term 'established charge' as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to the eligible veteran, whichever is the lesser. Such allowances shall be paid quarterly on a pro rata basis for the lessons completed by the veteran and serviced by the institution, as certified by the institution.

"(B) The period of entitlement of any eligible veteran who is pursuing any program of education exclusively by correspondence shall be charged with one month for each $175 which is paid to the veteran as an educational assistance allowance for such course.

"(b) (1) The educational assistance allowance of a veteran pursuing a program of flight training (except as provided in section 1673 (b) of this chapter) shall be paid in accordance with the provisions of section 1677 of this chapter.

"(2) The educational assistance allowance of a veteran pursuing a program of apprenticeship or other on-job training shall be paid in accordance with the provisions of section 1683 of this chapter.

"(c) The tuition and subsistence allowances payable under section 1680 of this chapter and the educational assistance allowance payable under this section shall be paid as soon as practicable after the Administrator is assured of the veteran's enrollment in and pursuit of the program of education for the period for which such allowance is to be paid."

SEC. 203. Section 1682 of title 38, United States Code, is amended to read as follows:

"§ 1682. Educational certifications and limitations

"(a) No tuition assistance allowance shall be paid to an educational or training institution on behalf of an eligible veteran under section 1680 of this chapter until the Administrator shall have received from such institution a certification of the actual enrollment of the eligible veteran at such institution, the number of semester or clock hours of attendance he is to pursue, the customary cost of tuition, the customary cost of books, supplies, equipment, and related expenses, the customary charges for laboratory, library, health, infirmary, or other similar fees, and such other information as the Administrator, by regulation, may require.

"(b) The subsistence and educational assistance allowances of an eligible veteran provided in sections 1680 and 1681 of this chapter shall be paid only for the period of his enrollment as approved by the Administrator, but no such allowances shall be paid—

"(1) to any veteran enrolled in a course which leads to a standard college degree for any period when such veteran is not pursuing his course in accordance with the regularly established policies and regulations of the educational institution and the requirements of this chapter, or of chapter 36;

"(2) to any veteran enrolled in a course which does not lead to a standard college degree (excluding programs of apprenticeship and programs of other on-job training authorized by section 1683 of this title) for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution is not regularly in session; or

"(3) to any veteran pursuing his program exclusively by correspondence for any period during which no lessons were serviced by the institution.

"(c) No subsistence or educational assistance allowance shall be paid to an eligible veteran enrolled in a course in an educational institution which does not lead to a standard college degree for any period until the Administrator shall have received—

"(1) from the eligible veteran a certification as to his actual attendance during such period or where the program is pursued by correspondence a certificate as to the number of lessons actually completed by the veteran and serviced by the institution; and

"(2) from the educational institution, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education during such period and, in the case of an institution furnishing education to a veteran exclusively by correspondence, a certificate, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

Notwithstanding the foregoing, the Administrator may pay an educational assistance allowance representing the initial payment of an enrollment period, not exceeding one full month, upon receipt of a certificate of enrollment.

"(d) The Administrator may, pursuant to such regulations as he may prescribe, determine enrollment in, pursuit of, and attendance at, any program of education or course by an eligible veteran for any period for which a tuition assistance allowance is paid on his behalf or for which he receives a subsistence or educational assistance allowance under this chapter for pursuing such program or course."

SEC. 204. Section 1661 of title 38, United States Code, is amended by—

(a) inserting in subsection (a) immediately after the words "entitled to" the following: "tuition, subsistence, or"; and

(b) inserting in subsection (c) immediately after the word "receive" the following: "tuition, subsistence, or".

SEC. 205. Section 1662 of title 38, United States Code, is amended by—

(a) inserting in subsection (a) immediately after the word "No" the following: "tuition, subsistence, or"; and

(b) inserting in subsection (c) immediately after the words "date for which an educational" the following: ", tuition or subsistence".

SEC. 206. Section 1663 of title 38, United States Code, is amended by inserting immediately after the words "eligible for" the following: "tuition, subsistence, or".

SEC. 207. Section 1671 of title 38, United States Code, is amended by inserting in the second sentence thereof immediately after the words "entitled to the" the following: "tuition, subsistence, or".

SEC. 208. Section 1674 of title 38, United States Code, is amended by inserting immediately after the words "shall discontinue the" the following: "subsistence or".

SEC. 209. Section 1676 of title 38, United States Code, is amended by inserting in the second sentence thereof immediately after the words "deny or discontinue the" the following: "subsistence or".

SEC. 210. Section 1677 of title 38, United States Code, is amended by striking out "$175" in the last sentence of subsection (b) and substituting thereof "$200".

SEC. 211. Section 1687 of title 38, United States Code, is amended by inserting immediately after the words "may discontinue the" the following: "subsistence or".

SEC. 212. Section 1691 of title 38, United States Code, is amended by striking out in subsection (b) thereof the words "an educational assistance allowance as provided by sections 1681 and 1682 (a) and (b) of this title" and inserting in lieu thereof the following: "a tuition assistance and subsistence allowance under the provisions of section 1680 of this chapter if he is enrolled on a half-time basis or an educational assistance allowance under the provisions of section 1681 (1) (B) of this chapter if he is enrolled on less than a half-time basis".

SEC. 213. Section 1693 of title 38, United States Code, is amended to read as follows:

"The tuition, subsistence, and educational assistance allowances authorized by section 1691 (b) of this chapter and the cost of individualized tutorial assistance authorized by section 1692 (b) of this chapter shall be paid without charge to any period of entitlement the veteran may have earned pursuant to section 1661 (a) of this title."

SEC. 214. Section 1781 of title 38, United States Code, is amended by inserting immediately after the word "No" the following: "tuition, subsistence, or".

SEC. 215. Section 1789 of title 38, United States Code, is amended by striking out the words "an educational assistance allowance" and inserting in lieu thereof the following: "a tuition, subsistence, or educational assistance allowance on behalf of or".

SEC. 216. Chapter 34 of title 38, United States Code, is amended by adding the following subchapter to the end thereof:

"SUBCHAPTER VII—EDUCATION LOANS

"§ 1698. Purpose

"The purpose of this subsection is to establish a program of insured and direct education loans administered by the Administrator for eligible veterans, as defined in this chapter, enrolled in and pursuing courses in an institution of higher learning for which credit is granted toward a standard college degree.

"§ 1698A. Loan insurance limitations

"(a) The total of the loans made to an eligible veteran in any academic year or its equivalent, as determined by the Administrator, which may be covered by loan insurance under this subchapter may not exceed $1,000. The aggregate insured unpaid principal amount of all such insured loans made to any veteran shall not at any time exceed $4,000.

"(b) The insurance liability on any loan insured by the Administrator under this subchapter shall be 100 per centum of the principal amount of the loan. Such insurance liability shall not include liability for interest whether or not that interest has been added to the principal of the loan.

"§ 1698B. Conditions for loan insurance

"(a) A loan by an eligible lender shall be insurable by the Administrator under this subchapter only if—

"(1) made to a veteran who—

"(A) has been accepted by an approved institution or, in the case of a veteran already attending such institution, is in good standing as determined by the Administrator.

"(B) is carrying at least one-half of the full-time course as determined by the Administrator, and

"(C) has provided the lender with a statement from the institution which sets forth a schedule of the tuition and fees applicable to the veteran and an estimate of the cost of board and room for such veteran; and

"(2) evidenced by a note or other agreement, which—

"(A) is made without security and without endorsement,

"(B) provides for repayment of the principal amount of the loan in installments over a period of not less than five years, unless sooner paid, nor more than ten years beginning not earlier than nine months nor later than one year after the date on which the veteran ceases to carry at an approved institution at least one-half of the full-time course, as determined by the Administrator, except (i) as provided in clause (C) below, (ii) that the period of the loan may not exceed fifteen years from the execution of the note or written agreement evidencing it, and (iii) that the note or other written instrument may contain such provisions relating to repayment in the event of default in payment of interest or other default of the veteran as may be authorized by regulations of the Administrator in effect at the time the loan is made,

"(C) provides that periodic installments of principal need not be paid but interest shall accrue and be paid, during any period (i) during which the veteran is pursuing a full-time course at an approved institution, (ii) not in excess of three years, during which the veteran is a member of the Armed Forces of the United States, and (iii) any such period shall not be included in determining the ten-year period or the fifteen-year period provided in clause (B) above,

"(D) provides for interest on the unpaid principal balance on the loan at a yearly rate, not exceeding the maximum rate prescribed and defined by the Administrator in subsection (b) of this section on a national, regional, or other appropriate basis, which interest shall be payable in installments over the period of the loan,

"(E) provides that the lender will not collect or attempt to collect from the borrower any portion of the interest which is payable by the Administrator under this subchapter,

"(F) entitled the veteran to accelerate without penalty repayment of the whole or any part of the loan, and

"(G) contains such other terms and conditions, consistent with the provisions of this subchapter and with the regulations issued by the Administrator pursuant to this subchapter as may be agreed upon by the parties to such loan.

"(b) No maximum rate of interest prescribed and defined by the Administrator for the purpose of clause (2) (D) of subsection (a) of this section may exceed such rate per annum as the Administrator may from time to time find the loan market demands.

"(c) The total of the payments by a veteran during any year of any repayment with respect to the aggregate amount of all loans to the veterans shall not be less than $360 or the balance of all of such loans, including interest, whichever is less.

"§ 1698C. Interest subsidy payments

"(a) Each veteran who has received a loan which is insured by the Administrator under this subchapter shall be entitled to have paid on his behalf and for his account to the holder of the loan, over the period of the loan, a portion of the interest on the loan.

"(b) The portion of the interest on a loan which a veteran is entitled to have paid on his behalf and for his account to the holder of the loan pursuant to subsection (a) of this section shall be equal to the total amount of the unpaid interest on the unpaid principal amount of the loan which accrues prior to the beginning of the repayment period of the loan, and 3 per centum per annum of the unpaid principal amount (excluding interest which has been added to the principal loan amount) thereafter.

"(c) Each holder of a loan with respect to which payments of interest are required to be made by the Administrator shall submit to the Administrator, at such time and in such manner as he may prescribe, statements containing such information as may be required by or pursuant to regulation for the purpose of enabling the Administrator to determine the amount of payment which he must make with respect to the loan.

"§ 1698D. Direct loans

"(a) The Administrator may make a direct loan to any veteran who would be eligible for an insured loan under this subchapter if (1) in the particular area in which the veteran resides loans which are insurable under this subchapter are not available at the rate of interest prescribed by the Administrator pursuant to section 1698B (a) (2) (D) of this subchapter for such area, or (2) are not available under the other terms and conditions of section 1698B of this subchapter.

"(b) Loans made under this section shall bear interest at the rate prescribed by the Administrator under section 1698B(a)(2)(D) of this subchapter for the area where the veteran resides, and shall be made on such other terms and conditions as the Administrator shall prescribe, which shall conform as nearly as practicable to the terms and conditions of loans insured under this subchapter."

SEC. 217. The table of sections at the beginning of chapter 34 of title 38, United States Code, is amended by—

(a) striking out:

"1681. Educational assistance allowance.
"1682. Computation of educational assistance allowance,";

and

(b) inserting in lieu thereof:

"1680. Tuition and subsistence allowance for training.
"1681. Educational assistance allowances.
"1682. Educational certifications and limitations.";

and

(c) adding the following:

"SUBCHAPTER VII—EDUCATION LOANS

"1698. Purpose.
"1698A. Loan insurance limitations.
"1698B. Conditions for loan insurance.
"1698C. Interest subsidy payments.
"1698D. Direct loans.".

SEC. 218. This Act shall become effective September 1, 1972.

[No. 118]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., March 29, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This will respond to your request for a report by the Veterans' Administration on S. 3345, 92d Congress, a bill to amend title 38, United States Code, to increase payments of vocational rehabilitation subsistence under chapter 31, to provide for the payment of tuition, subsistence, and educational assistance allowances on behalf of or to certain eligible veterans pursuing programs of education under chapter 34 of such title, and for other purposes.

Title I of the bill would increase vocational rehabilitation subsistence allowances payable to trainees by 14.1 percent and would also increase the amount of the loan which may be made to such trainees from $100 to $200.

The Veterans' Administration, in draft legislation submitted to the President of the Senate by letter dated November 27, 1971, recommended an increase in vocational rehabilitation subsistence benefits in the amount of 8.6 percent. This represents an adjustment which we believe compensates for the increase in prices which has occurred since the last rate increase became effective in February 1970. We, therefore, oppose an increase of the magnitude proposed in this section of the bill. The Administration-sponsored legislation also includes a proposal to increase the loan authority from $100 to $200 and we support that provision of S. 3345.

Sections 201 through 215 of title II of the bill are, with two exceptions, identical with the proposal for a tuition plus subsistence payment plan set forth in S. 2163, a bill which is also presently pending before your committee. Our opposition to this latter measure, as set forth in my letter to your committee dated December 23, 1971, applies equally to this portion of S. 3345. As we pointed out in that report, such a plan would return to the abuses which occurred when a similar plan was operative during the World War II GI bill program.

The two exceptions, noted above, are contained in sections 202 and 210. The first would provide for computation of the educational assistance allowance for correspondence training at 90 percent of the established charge nonveterans pay for the same course or courses. This is identical with the proposal made in our draft measure and we support this change. The other calls for a $200 monthly entitlement charge for flight training compared to the current $175 rate. We do not believe that only one such program should be singled out for increased benefits.

Section 216 of title II of the bill would set up a new direct and insured education loan program for veterans to be administered by the Veterans' Administration. Under the proposal, the Administrator would be empowered to insure loans made to eligible veterans by commercial lenders. The maximum insured loan would be $1,000 per academic year per veteran with a total overall maximum loan outstanding of $4,000. The Administrator would be authorized to insure up to 100 percent of the principal of the loan, but the insurance liability would not cover any interest on such loan.

The bill would also empower the Administrator to make direct educational loans to veterans where such financing is not available at a rate of interest prescribed by the Administrator for such area. These loans would be on the same basis and terms as the insured loans.

The measure also provides repayment conditions for these loans and, in addition, authorizes the Administrator to make certain interest subsidy payments on portions of the interest due on the loans.

A comprehensive program of loans, grants, and other forms of financial aid is already provided through the National Defense Education Act and other related educational assistance programs administered by the Department of Health, Education, and Welfare. Veterans are eligible to participate in all of these programs. These loan programs are operated on a low-interest basis and many contain provisions permitting forgiveness for portions of the loans for service in the Armed Forces or for performance of certain types of public service such as teaching in certain areas of the Nation.

We believe that a Veterans' Administration funded educational loan program would be a duplication of similar programs already in existence and we therefore oppose these provisions of S. 3345.

Concerning costs, it is estimated that title I, increasing subsistence rates for vocational rehabilitation training, would result in added direct benefits cost the first year of $6.4 million and $33.9 million over the first 5 years. Title II, dealing with tuition payments, would result in additional direct benefits cost the first year of $639.7 million and $2,781.8 million over the first 5 years. This portion of the measure would also result in additional administrative costs the first year of approximately $7.8 million which would decline to approximately $5.1 million a year by the fifth year. The loan provision would be extremely costly. The potential availability of direct VA loans to student veterans would have the effect of barring veterans from consideration by private lenders now active in guaranteed student loan programs. As a result, VA would be obliged, under terms of the proposed language, to extend direct loans to veterans. The effect would be to shift to the Federal Government a large share of the student loan activity now met by private lenders at an additional Federal cost of up to $500 million in 1973 and well over a billion dollars each year thereafter. Even if the entire program operated under the proposed VA guaranty authority, the cost would be at least $566 million for the first 5 years. A detailed presentation of cost estimates is enclosed as an attachment to this report.

For the foregoing reasons, with the limited exceptions we have noted, we strongly recommend against favorable consideration by your committee of S. 3345.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

Donald E. Johnson, *Administrator.*

COST ESTIMATE, S. 3345, 92D CONGRESS

1. This bill would increase benefits to trainees as follows:

a. increase the subsistence allowance of trainees under chapter 31 by approximately 14 percent;

b. provide for payment of up to $1,000 per school year to educational institutions for the cost of tuition, fees, books, supplies, and equipment for trainees under chapter 34 enrolled on a one-half time or more basis; and

c. provide for insured or direct educational loans to college level trainees under chapter 34 who are training on a one-half time or more basis. The amount loaned may be up to $1,000 per school year, not to exceed a total of $4,000.

2. The increased chapter 31 subsistence allowances are identical to those proposed in H.R. 12828. The direct benefits costs for the first 5 years would be:

	Individuals	Direct benefits cost (millions)
Fiscal year:		
1973	33,000	$6.4
1974	34,000	6.6
1975	35,000	6.8
1976	36,000	7.0
1977	37,000	7.1
Total, 5 fiscal years		33.9

3. Title II, dealing with tuition payments, is identical to S. 2163 except for the provisions in section 202 on the correspondence charge computation and in section 210 dealing with flight training. It is estimated that section 202, which provides for computation of the correspondence training program on 90 percent of the charges paid by nonveterans for the same course, would result in savings the first year of $8 million and savings over the first 5 years of $33 million. Section 210 would charge 1 month of entitlement for each $200 paid for flight training instead of the currently authorized $175. We have not estimated any additional cost attributable to this section during the first 5 years. Additional cost of this change would be incurred only if the veteran exhausts more entitlement under this change than he would have had available at the $175 rate.

The tuition payment provisions would result in the following direct benefits cost:

	Individuals	Direct benefits cost (millions)
Fiscal year:		
1973	952,000	$639.7
1974	905,000	630.4
1975	743,000	530.3
1976	709,000	520.4
1977	612,000	461.0
Total, 5 fiscal years		2,781.8

4. Administrative cost due to the payment of tuition directly to the institution would approximate $7.8 million in fiscal year 1973. Due to subsequent decreases in the training load, this figure declines to $5.1 million by fiscal year 1977.

5. The following conditions are applicable to the loan proposal:

a. the loan is limited to $1,000 per academic year not to exceed a total of $4,000 for any one veteran;

b. the loan is to require no collateral or cosigner, and is to be 100 percent guaranteed by the Veterans' Administration, not to include any interest accrued other than interest which is to be paid by the Veterans' Administration;

c. repayment of the loan is to begin 9 to 12 months after termination of training. The repayment period is to extend 5 to 10 years thereafter, not to exceed a total of 15 years from date of initiation of the first loan;

d. all interest is to be paid by the Veterans' Administration while the veteran is in school and for a period of 9 to 12 months thereafter. During the repayment period the Veterans' Administration will pay the first 3 percent of the annual interest; and

e. there is no income limitation and the veteran does not have to establish a need for the loan. There are no academic conditions other than enrollment on a one-half time or more basis in a college credit program.

6. There are many variables which might affect the number and amount of the proposed loans and the cost to the Veterans' Administration. So as to provide a basis for estimating the potential budgetary impact of the proposed loans, we have made several assumptions. To the extent that actual conditions vary from these assumptions, the actual budgetary impact might be greater or less:

a. approximately one of two veterans now expected to be enrolled in college level training under chapter 34 would take a loan each fiscal year in an average amount of $900. Because of no charge to the veteran before the repayment period begins and the lack of restraints on eligibility for the loan, the percentage of veterans utilizing loans could be higher;

b. interest payments are estimated on the basis of an average 7 percent rate;

c. the default rate is estimated at 5 percent. Because this credit group has not been evaluated and the loans are unsecured, the default rate might be appreciably higher;

d. for purposes of this estimate, it is assumed that funds from conventional sources will be withheld from student veterans as lenders divert scarce loan funds to other students who do not have recourse to a VA direct loan potential. To the extent that direct loans become necessary this would increase the outflow of budgeted funds until such time as annual repayment on direct loans equals the annual outflow. An exact calculation of lending volume is not possible but is estimated to be at least $500 million in the first year and well over a billion dollars each year thereafter; and

e. the administrative cost is estimated to approximate 1 percent of the dollar value of the loans outstanding.

7. To the extent that pressure for VA direct loans crowds out demand for VA guaranteed loans, the guaranteed loan provisions of this bill would cost relatively little. To establish an outside perimeter of cost, however, the table below summarizes the cost of these loan guaranty provisions in the absence of any direct loan activity.

		Millions of dollars		
	Veterans receiving loans	Direct benefits cost	Adminis-trative cost	Total cost
Fiscal year:				
1973	605,000	$38.2	$5.5	$43.7
1974	582,000	74.9	10.7	85.6
1975	516,000	108.5	14.2	122.7
1976	453,000	132.4	16.4	148.8
1977	398,000	147.8	17.5	165.3
Total, 5 years		501.8	64.3	566.1

8. Because of the accrual nature of loans over a 15-year cycle, the cost of interest and related costs will peak later than the fifth year shown in this estimate. To evaluate the loan further it is necessary to determine the cost of the loan to the Veterans' Administration and the veteran:

a. the additional funds made available to the veteran are equal to $111 per month while he is enrolled in school;

b. the cost of the loan to the Veterans' Administration over a 15-year cycle would equal $59 per month for the 36 months the veteran is enrolled in school;

c. the cost of the loan to the veteran over a 15-year cycle would equal $22 per month for the 36 months the veteran is in school; and

d. the combined cost of the loan to the veteran and the Veterans' Administration for the 15-year cycle is 73 cents for each $1 loaned.

9. Estimates of direct benefits and administrative cost cited above for the tuition and loan provisions of this proposal are based upon the number of veterans already expected to be in training. The higher benefits which would be made available by this proposal might induce some veterans to enter training who otherwise would not have trained. The additional cost for those veterans might be considered to be additional cost attributable to this proposal. Rather than attempt to estimate the numbers of such additional trainees, we have estimated the

cost per 10,000 additional trainees. In the first year this annual cost would approximate $20 million, increasing to approximately $23 million in the fifth year. In addition, these higher benefits might cause some other trainees to move from part-time or part-year training to full-time or full-year training. This would further increase the cost in the year in which it occurred, although there might be a cost offset in a later year because of this acceleration.

ATTACHMENT A

ESTIMATE OF COST FOR EDUCATIONAL LOANS AS PROPOSED BY S. 3345, 92D CONG.

[Dollar amounts in millions]

Fiscal year	Veterans receiving loans	Value of loans outstanding	Cost of interest: 7-percent rate	Cost of interest: 3-percent rate	Defaults	Total direct benefits	Administrative cost	Total cost
1973	605,000	$545.5	38.2			$38.2	$5.5	$43.7
1974	582,000	1,069.3	74.9			74.9	10.7	85.6
1975	516,000	1,424.6	99.7	$3.3	$5.5	108.5	14.2	122.7
1976	453,000	1,645.3	115.2	6.5	10.7	132.4	16.4	148.8
1977	398,000	1,754.5	122.8	9.6	15.4	147.8	17.5	165.3
5-year total		9,002.7	450.8	19.4	31.6	501.8	64.3	566.1

[No. 132]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., April 19, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request of March 16, 1972, for the views of this office on S. 3345, the "Veterans' Education and Training Amendments of 1972."

In its report to your committee, the Veterans' Administration explains why it strongly opposes enactment of the bill. With respect to the loan provisions, the Administrator of Veterans' Affairs points out that the potential availability of direct VA loans to student veterans would have the effect of barring veterans from consideration by private lenders now active in the guaranteed student loan market. The result would be to shift to the Federal Government a large share of student loans now issued by private lenders at an additional Federal cost of up to $500 million in 1973 and over a billion dollars each year thereafter.

We concur with the views of the Veterans' Administration and, accordingly, strongly recommend against enactment of S. 3345.

Sincerely,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

92D CONGRESS
2D SESSION

S. 3489

IN THE SENATE OF THE UNITED STATES

APRIL 12, 1972

Mr. HARTKE introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

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A BILL

To amend title 38, United States Code, to permit eligible persons training under chapter 35 to pursue programs of education at certain educational institutions outside the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of section 1723 of title 38, United States Code, is amended to read as follows:

"(c) The Administrator shall not approve the enrollment of an eligible person in any course of apprentice or other training on the job, any course of institutional on-farm training, any course to be pursued by correspondence, open circuit television (except as herein provided), or a radio, or any course to be pursued at an educational institution not located in a State or in the Republic of the Philippines (except as herein provided). The Administrator may approve the enrollment of an eligible person in a course, to be pursued in residence, leading to a standard college degree which includes, as an integral part thereof, subjects offered through the medium of open circuit televised instruction, if the major portion of the course requires conventional classroom or laboratory attendance. The Administrator may approve the enrollment at an educational institution which is not located in a State or in the Republic of the Philippines providing such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the educational assistance under this chapter of any eligible person in a foreign educational institution if he finds that such enrollment is not for the best interest of the eligible person or the Government."

[No. 158]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., July 19, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
United States Senate, Washington, D.C.

DEAR MR. CHAIRMAN. This will respond to your request for a report by the Veterans Administration on S. 3489, 92d Congress, a bill "To amend title 38, United States Code, to permit eligible persons training under chapter 35 to pursue programs of education at certain educational institutions outside the United States."

The bill would amend section 1723(c) of title 38, United States Code, to remove the current bar on training at institutions outside the United States by individuals receiving educational benefits under chapter 35 of title 38. Such training would be required to be taken at institutions of higher learning and the Administrator would be empowered to deny or discontinue payments of such benefits if he finds that such enrollment would not be for the best interest of the trainee or the Government.

The original purpose of the War Orphans' Educational Assistance Act of 1956 (Public Law 634, 84th Congress) was to provide educational opportunities for those children whose education would otherwise be imperiled or interrupted due to the death of the veteran-parent from a disease or injury incurred or aggravated in the armed forces during World War I, World War II, or the Korean conflict. The program was designed to provide such children with the educational status which they might have aspired to and obtained but for the disability or death of such parent.

The original law prohibited the Administrator of Veterans Affairs from approving the enrollment of these children in courses determined to be avocational or recreational in character, in apprenticeship or other on-job training, institutional on farm training, flight training (with limited exceptions), correspondence, radio or television courses, or any course to be pursued at an educational institution not located in a State.

Subsequent to the original enactment, amendatory legislation has been approved enlarging the purpose of the program and modifying some of the prohibitions. Under current law, benefits are granted to children of Spanish-American War veterans, to children of veterans totally and permanently disabled from service-connected causes, to widows and wives of such deceased or disabled veterans, and to the children and wives of servicemen who are prisoners of war or missing in action. The program has also been modified to permit part-time training, to permit training in the Republic of the Philippines, and to permit training until age twenty-six. In addition, the Administration, last November, in urging the Congress to approve changes in the provisions of the GI Bill and War Orphans' programs (incorporated in S. 3059 which is currently pending before your Committee), recommended expansion of the chapter 35 program to permit wives, widows and children to pursue on-job and apprentice training programs and to permit wives and widows to pursue secondary and correspondence course training programs.

The legislative trend has been to make the benefits granted to chapter 35 beneficiaries more equitable, where feasible, with those granted veterans under chapter 34. Thus, it seems logical to extend to chapter 35 beneficiaries the right to attend institutions of higher learning outside the United States on the same basis as is currently granted to veterans under section 1676 of chapter 34. Counseling for eligible children would continue to be accomplished under existing procedures. Where an eligible child resides abroad, counseling would be secured through the selection of a competent foreign counselor. Counseling for wives and widows, unlike children, is not mandatory but could be provided, if requested, with a minimum of difficulty.

Extension of this benefit would also assist in correcting what we believe to be an inequity. Situations have arisen wherein the surviving dependents of a veteran have taken up residence abroad. When applications have been received from such dependents to pursue courses at institutions in foreign countries, we have been prevented from approving such requests because of the limitation in current law. In many cases, the individuals are generally not in a financial position to return to the United States to attend an approved school. Thus, these individuals have been deprived of a benefit which they would otherwise have been entitled to receive.

It is estimated that enactment of the bill would result in added direct benefits cost of $1.9 million the first year and $10.8 million over the first five years. A detailed breakdown showing numbers of individuals affected and total cost for each of the next five years is as follows:

	Number of persons training	Cost of direct benefits (in millions)
Fiscal year:		
1973	1,600	$1.9
1974	1,700	2.1
1975	1,800	2.2
1976	1,900	2.3
1977	1,900	2.3
5-year total		10.8

Less than one percent of the eligible wives and widows (estimated at 2,400) and children (estimated at 2,300) are in foreign countries. Due to the difference in the cost of living in foreign countries, the educational assistance allowance might become very attractive. Further, there is a likelihood that some eligible persons who reside in the United States might elect to take some or all of their training in foreign countries. Based on these factors, we have estimated that the ratio of entries to eligible populations outside the United States could be twice as high as in the United States.

For the foregoing reasons, we would have no objection to favorable consideration of S. 3489 by your Committee.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

DONALD E. JOHNSON,
Administrator.

[No. 160]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., July 22, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
United States Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request of April 14, 1972 for the views of this Office on S. 3489, a bill "To amend title 38, United States Code, to permit eligible persons training under chapter 35 to pursue programs of education at certain educational institutions outside the United States."

In its report to your Committee, the Veterans Administration states that persons eligible for benefits under the War Orphans' Educational Assistance Act, i.e., wives, widows and children, should have the same right to attend educational institutions outside the United States as veterans do under the GI bill program. The VA notes, for example, that surviving dependents of a veteran who have taken up residence abroad are deprived of an educational benefit they would be entitled to receive if they lived in the United States.

We concur with the views expressed by the VA. Accordingly, we would have no objection to the enactment of S. 3489.

Sincerely,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

92d CONGRESS
2d Session

S. 3509

IN THE SENATE OF THE UNITED STATES

April 19, 1972

Mr. Inouye introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To amend chapter 34 of title 38, United States Code, to extend the time period within which veterans may be entitled to educational assistance under such chapter after their discharge or release from active duty.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1662 (a) of title 38, United States Code, is amended to read as follows:

"(a) No educational assistance shall be afforded an eligible veteran under this chapter beyond the date twelve years after his last discharge or release from active duty after January 31, 1955, except that the Administrator may extend the period of entitlement of any veteran for an additional period not exceeding four years if he determines such extension would be fair and equitable and that the veteran failed to begin or complete his program of education because of conditions beyond his control.”.

SEC. 2. Any veteran eligible for educational benefits under chapter 34 of title 38, United States Code, and whose entitlement to such benefits was terminated because of the eight-year delimiting period in effect prior to the date of enactment of this Act shall have his entitlement to such benefits extended for a period of four years from the date of enactment of this Act, plus any additional extension granted by the Administrator for extraordinary circumstances referred to in section 1662 (a) of title 38, United States Code, as amended by the first section of this Act.

[No. 156]

COMMITTEE ON VETERANS' AFFAIRS, UNITED STATES SENATE

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., July 12, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request of April 21, 1972, for the views of this Office on S. 3509, a bill to amend chapter 34 of title 38, United States Code, to extend the time period within which veterans may be entitled to educational assistance under such chapter after their discharge or release from active duty.

In its report to your committee, the Veterans' Administration states its reasons for recommending against enactment of the bill. The Veterans' Administration points out that the current 8-year limitation is adequate and that further extension of the time period would not be consistent with the objectives of the educational assistance program.

We concur with the views expressed by the Veterans' Administration. Accordingly, we recommend against enactment of S. 3509.

Sincerely,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

[No. 157]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

VETERANS ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIR,
Washington, D.C., July 17, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
United States Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: This will respond to your request for a report by the Veterans' Administration on S. 3509, 92d Congress, a bill to amend chapter 34 of title 38, United States Code, to extend the time period within which veterans may be entitled to educational assistance under such chapter after their discharge or release from active duty.

This measure would amend section 1662(a) of title 38 to establish a 12-year delimiting date under current law for veterans to utilize their educational entitlement. It would also extend for 4 years the period within which a veteran, whose 8-year entitlement period under chapter 34 had expired at the time the bill was enacted, could pursue his program, and would authorize the Administrator of Veterans' Affairs to grant up to 4 additional years to a veteran to pursue his program where he determines that the veteran failed to begin or complete his program because of conditions beyond his control.

The underlying purpose of all educational assistance programs—World War II, Korean conflict, and the current law—has been to help veterans adjust from military to civilian life by affording them monetary aid to obtain an educational status they might normally have aspired to and obtained had they not served their country in time of national emergency. It was not contemplated that this assistance was to be a continuing benefit.

Under the World War II GI bill (Public Law 346, 78th Cong.), a veteran had 4 years from the date of his separation from the service in which to start his program of education and, once started, he was allowed a period of 9 years, or until July 25, 1956, whichever was later, in which to use his period of entitlement. The Korean conflict GI bill (Public Law 550, 82d Cong.), granted a veteran a period of 3 years following his separation from service in which to commence his program of education or training and 8 years from the date of his discharge or release in which to complete his program of education or training. No assistance could be granted such veterans beyond January 31, 1965.

Under the Veterans' Readjustment Act of 1966 (Public Law 89-358), veterans who were discharged subsequent to January 31, 1955, have 8 years from June 1, 1966 (date of enactment of current law), or 8 years from the date of their discharge or release from active service, whichever is later, in which to complete their program of education. In the case of veterans pursuing programs of flight training, farm cooperative training, or apprenticeship or on-the-job training, the eligibility, premised upon the provisions of Public Law 90–77, is 8 years from the date of last separation from service after January 31, 1955, or August 31, 1975, whichever is later, to complete such programs. No time limitation as to when the veteran must commence his training was enacted in the current law, presumably because of the difficulty in administering such a provision, the changes in educational facilities and the number of students in attendance.

The World War II program set a delimiting date of 9 years. The Korean conflict program, on the other hand, set an 8-year limitation. The current program, which is patterned to a large extent on the successful Korean program, also contains an 8-year limitation. It seems evident that the Congress considered a time limitation to be desirable.

We believe that extending the period to 12 years, as is proposed in S. 3509, exceeds the period reasonably necessary for an educational program to assist in readjustment to civilian life, and that the current 8-year provision is entirely adequate. Under the 8-year limitation, for example, a veteran, with a maximum entitlement of 36 months, need attend only 4 to 5 months of full-time instruction a year, or a comparable amount of part-time training, to make full use of his entitlement. To extend the limitation to 12 years would permit a reduction of such attendance to 3 months a year. We believe that with our ever-changing positions in engineering and other scientific fields, as well as changes in approaches to the arts, a cohesiveness in education is necessary and that training should not be drawn out over an excessive period of time.

There has been an impressive growth in participation by Vietnam veterans in GI bill training and education benefits. Since June 1, 1966, the date the current program became effective, education and training benefits have been provided to 2.3 million Vietnam veterans, together with 0.9 million veterans who left service after 1955. The participation rate has shot upward by any index. In the past 3 years, the participation rate of Vietnam era veterans, on a cumulative basis, has risen from approximately 20 to 40 percent. There is also strong evidence that men are entering training more quickly after discharge; the first year participation rate in this period has risen sharply. This would indicate less need for an extension of the delimiting date because of the accelerated rate of entitlement use.

Since all post-Korean veterans are eligible for training until at least June 1, 1974, there would be no cost accruing under this bill until fiscal year 1975. It is estimated that the added direct benefits cost for the first 5 fiscal years would be $387 million. A breakdown for the first 5 fiscal years by individuals and direct benefits cost follows:

Fiscal year	Individuals	Additional direct benefit cost (in millions)
1973		
1974		
1975	109,000	$117.2
1976	131,000	140.8
1977	120,000	129.0
5-year total		387.0

In making these estimates, we have assumed that of those who will have trained within the present 8 years, 5 percent will train each year in the 9th and 10th years, 3 percent will train in the 11th year, and 2 percent will train in the 12th year. Of those who will not have entered in the first 8 years, we have assumed that 1 percent will train each year in the 9th and 10th years, 0.75 percent will train in the 11th year, and 0.25 percent will train in the 12th year. Under the terms of the bill, every veteran will receive a 12-year eligibility period. Thus, the additional 4-year period which may be granted by the Administrator would not entail any additional cost until fiscal year 1979.

For the foregoing reasons, we recommend against favorable consideration of S. 3509 by your committee.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

Donald E. Johnson,
Administrator.

92D CONGRESS
2D SESSION

H. R. 12828

IN THE SENATE OF THE UNITED STATES

MARCH 7, 1972

Read twice and referred to the Committee on Veterans' Affairs

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AN ACT

To amend chapters 31, 34, and 35 of title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and persons; to provide for advance educational assistance payments to certain veterans; to make improvements in the educational assistance programs; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans' Education and Training Amendments of 1972".

II–O

TITLE I—VOCATIONAL REHABILITATION-EDUCATIONAL ASSISTANCE RATE ADJUSTMENTS

SEC. 101. Chapter 31 of title 38, United States Code, is amended as follows:

(a) by amending section 1504 (b) to read as follows:

"(b) The subsistence allowance of a veteran-trainee is to be determined in accordance with the following table, and shall be the monthly amount shown in column II, III, or IV (whichever is applicable as determined by the veteran's dependency status) opposite the appropriate type of training as specified in column I:

"Column I	Column II	Column III	Column IV
Type of training	No dependents	One dependent	Two or more dependents
Institutional:			
Full-time	$154	$207	$240
Three-quarter-time	112	152	178
Half-time	76	104	116
Institutional on-farm, apprentice, or other on-job training:			
Full-time	135	175	207

Where any full-time trainee has more than two dependents and is not eligible to receive additional compensation as provided by section 315 or section 335 (whichever is applicable) of this title, the subsistence allowance prescribed in column IV of the foregoing table shall be increased by an additional $7 per month for each dependent in excess of two.";

and

(b) by deleting in section 1507 "$100" and inserting in lieu thereof "$200".

SEC. 102. Chapter 34 of title 38, United States Code, is amended as follows:

(a) by deleting in the last sentence of section 1677 (b) "$175" and inserting in lieu thereof "$200",

(b) the table contained in paragraph (1) of section 1682 (a) is amended to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$200	$234	$262	$15
Three-quarter time	146	173	202	11
Half-time	92	114	130	8
Cooperative	161	191	219	11.";

(c) by deleting in section 1682 (b) "$175" and inserting in lieu thereof "$200";

(d) the table contained in section 1682 (d) (2) is amended to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time	$161	$188	$217	$11
Three-quarter-time	115	136	157	8
Half-time	76	90	105	5.";

(e) the table contained in section 1683 (b) is amended to read as follows:

"Periods of training	No dependents	One dependent	Two or more dependents
First 6 months	$160	$178	$197
Second 6 months	120	136	156
Third 6 months	80	98	117
Fourth and any succeeding 6-month periods	40	58	77.";

and

(f) by deleting in section 1696 (b) "$175" and inserting in lieu thereof "$200".

SEC. 103. Chapter 35 of title 38, United States Code, is amended as follows:

(a) by amending section 1732 (a) (1) to read as follows:

"(a) (1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate of (A) $200 per month if pursued on a full-time basis, (B) $146 per month if pursued on a three-quarter-time basis, and (C) $92 per month if pursued on a half-time basis.";

(b) by deleting in section 1732 (a) (2) "$175" and inserting in lieu thereof "$200";

(c) by deleting in section 1732 (b) "$141" and inserting in lieu thereof "$161"; and

(d) by amending section 1742 (a) to read as follows:

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on his behalf a special training allowance computed at the basic rate of $200 per month. If the charges for tuition and fees applicable to any such course are more than $63 per calendar month the basic monthly allowance may be increased by the amount that such charges exceed $63 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each $6.80 that the special training allowance paid exceeds the basic monthly allowance."

TITLE II—ADVANCE VOCATIONAL REHABILITATION SUBSISTENCE AND EDUCATIONAL ASSISTANCE ALLOWANCE PAYMENTS

SEC. 201. Subsection (a) of section 1504 of title 38, United States Code, is amended by adding at the end thereof the following: "The Administrator shall pay the initial subsistence allowance of a course of vocational rehabilitation training to an eligible veteran in an amount not to exceed the subsistence allowance for the month or fraction thereof in which pursuit of the course will commence, plus the subsistence allowance for one full month, upon receipt of proof that the veteran has been enrolled in an approved educational institution on a half-time or more basis. Such payment shall not be made earlier than the first day of the month in which pursuit of the course is to commence. Subsequent payments of subsistence allowance shall be made each month in advance, subject to such reports and proof of satisfactory pursuit of such program as the Administrator may require. The Administrator may withhold the final payment of subsistence allowance payable to such veteran until such proof is received and the amount appropriately adjusted. If the eligible veteran fails to pursue the course after receiving the initial payment of the subsistence allowance, the amount of such payment may be recovered from any benefit otherwise due the veteran under any law administered by the Veterans' Administration or such overpayment shall constitute a liability of such eligible veteran and may be recovered in the same manner as any other debt due the United States."

SEC. 202. Subsections (d) and (e) of section 1681 of title 38, United States Code, are amended to read as follows:

"(d) The Administrator shall, except as provided in subsection (e) of this section, pay the initial educational assistance allowance of an enrollment period to an eligible veteran in an amount not to exceed the educational assistance allowance for the month or fraction thereof in which pursuit of the program will commence, plus the educational assistance allowance for one full month, upon receipt of proof that the eligible veteran has been enrolled in an approved educational institution on a half-time or more basis. Such payment shall not be made earlier than the first day of the month in which pursuit of the program is to commence. Subsequent payments of educational assistance allowance shall be made each month in advance, subject to such reports and proof of satisfactory pursuit of such program as the Administrator may require. The Administrator may withhold the final payment of an enrollment period until such proof is received and the amount appropriately adjusted. If the eligible veteran fails to pursue the course after receiving the initial payment of the educational assistance allowance, the amount of such advance payment may be recovered from any benefit otherwise due the veteran under any law administered by the Veterans' Administration or such overpayment shall constitute a liability of such eligible veteran and may be recovered in the same manner as any other debt due the United States.

"(c) No educational assistance allowance shall be paid to an eligible veteran enrolled in a program of education consisting exclusively of flight training or exclusively by correspondence for any period until the Administrator shall have received—

"(1) from the eligible veteran a certification as to his actual attendance during such period or, where the program is pursued by correspondence, a certificate as to the number of lessons actually completed by the veteran and serviced by the institution, and

"(2) from the educational institution a certification or an endorsement on the veteran's certificate that such veteran was enrolled in and pursuing a course of education during such period and, in the case of an institution furnishing education to a veteran exclusively by correspondence, a certificate, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution."

SEC. 203. Subsection (d) of section 1731 of title 38, United States Code, is amended to read as follows:

"(d) The Administrator shall pay the initial educational assistance allowance of an enrollment period on behalf of an eligible person in an amount not to exceed the educational assistance allowance for the month or fraction thereof in which pursuit of the program will commence, plus the educational assistance allowance for one full month, upon receipt of proof that the eligible person has been enrolled in an approved educational institution on a half-time or more basis. Such payment shall not be made earlier than the first day of the month in which pursuit of the program is to commence. Subsequent payments of educational assistance allowance shall be made each month in advance, subject to such reports and proof of satisfactory pursuit of such program as the Administrator may require. The Administrator may withhold the final payment of an enrollment period until such proof is received and the amount appropriately adjusted. If the eligible person fails to pursue the course after receiving the initial payment of the educational assistance allowance, the amount of such advance payment may be recovered from any benefit otherwise due the eligible person under any law administered by the Veterans' Administration or such overpayment shall constitute a liability of such eligible person and may be recovered in the same manner as any other debt due the United States."

SEC. 204. Subchapter IV of chapter 34 of title 38, United States Code, is amended by inserting immediately after section 1687 the following new section:

"§ 1688. Veteran-student employment

"(a) Notwithstanding any other provision of law, the Administrator is authorized to utilize on an intermittent basis the services of veteran-students who are pursuing full-time programs of education or training under chapters 31 and 34 of this title. Such veteran-students may be utilized to perform such services for the Veterans' Administration at such times and places as the Administrator deems advisable.

"(b) Veteran-students utilized under the authority of subsection (a) of this section shall be paid an hourly rate equivalent to the minimum rate for a grade in the General Schedule contained in section 5332 of title 5, determined by the Administrator to be appropriate for the services rendered. Such grade determination may, at the Administrator's discretion, be based upon, but shall not be subject to, position classification standards issued by the Civil Service Commission pursuant to section 5105 of title 5.

"(c) While performing the services authorized by subsection (a) of this section, such veteran-students shall not be deemed to be employees of the United States for the purposes of laws administered by the Civil Service Commission. They shall, however, be considered to be employees of the United States for the purposes of the benefits of chapter 81 of title 5."

TITLE III—EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

Sec. 301. Section 1671 of title 38, United States Code, is amended to read as follows:

"Any eligible veteran, or individual on active duty, who desires to initiate a program of education under this chapter shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The application of an individual on active duty must be approved by a service education officer prior to its submission. The Administrator shall approve such application unless he finds that such veteran or individual is not eligible for or entitled to the educational assistance applied for, or that his program of education fails to meet any of the requirements of this chapter, or that he is already qualified. The Administrator shall notify the eligible veteran or individual of the approval or disapproval of his application."

Sec. 302. Clause (3) of subsection (b) of section 1675 of title 38, United States Code, is amended by inserting after the words "general locality" the following: "or where the school has made a complete move with substantially the same faculty, curricula, and students, without a change in ownership".

SEC. 303. Subchapter III of chapter 34 of title 38, United States Code, is amended by inserting immediately after section 1677 the following new section:

"§ 1678. Correspondence courses

"(a) Each eligible veteran who is pursuing a program of education exclusively by correspondence shall be paid an educational assistance allowance computed at the rate of 90 per centum of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran. The term 'established charge' as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to the veteran, whichever is the lesser. Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the veteran and serviced by the institution.

"(b) The period of entitlement of any veteran who is pursuing any program of education exclusively by correspondence shall be charged with one month for each $200 which is paid to the veteran as an educational assistance allowance for such course.

SEC. 304. Section 1682 of title 38, United States Code, is amended by—

(a) repealing subsection (c) thereof in its entirety; and

(b) redesignating subsection (d), as amended by section 102 (d) of title I of this Act, as subsection (c) and, as redesignated, further amending such subsection (1) by adding the following within the parentheses contained in subsection (d) (1) (A): "or five hundred twenty-eight clock hours in such year prescheduled to provide not less than eighty clock hours in any three-month period" and (2) to add the following sentence at the end of paragraph (1): "In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the veteran is enrolled".

SEC. 305. (a) The heading for subchapter VI of chapter 34 of title 38, United States Code, is amended by striking out "**Predischarge**" and inserting in lieu thereof "**Preparatory**".

(b) Subsection (a) of section 1695 of title 38, United

States Code, is amended to read as follows:

"(a) The purpose of this subchapter is to encourage and assist veterans in preparing for their future education, training, or vocation by providing them with an opportunity to enroll in and pursue a program of education or training prior to their discharge or release from active duty with the Armed Forces. The program provided for under this subchapter shall be known as the Preparatory Education Program (PREP)."

(c) Subsection (a) of section 1696 of title 38, United States Code, is amended by inserting immediately after "secondary school diploma, or" the following: "needed to obtain an equivalency certificate, or".

SEC. 306. Subsection (a) of section 1701 of title 38, United States Code, is amended as follows:

(1) by amending paragraph (6) to read as follows:

"(6) The term 'educational institution' means any public or private secondary school, vocational school, correspondence school, business school, junior college, teachers' college, college, normal school, professional school, university, or scientific or technical institution, or any other institution if it furnishes education at the secondary school level or above."; and

(2) by adding at the end thereof the following new paragraph:

"(9) For the purposes of this chapter and chapter 36 of this title, the term 'training establishment' means any establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprenticeship committee, or the Bureau of Apprenticeship and Training established pursuant to chapter 4C of title 29, or any agency of the Federal Government authorized to supervise such training."

SEC. 307. Section 1720 of title 38, United States Code, is amended by inserting after the first sentence in subsection (a) thereof a new sentence as follows: "Such counseling shall not be required where the eligible person has been accepted for, or is pursuing, courses which lead to a standard college degree, at an approved institution."

SEC. 308. The first sentence of subsection (c) of section 1723 of title 38, United States Code, is amended to read as follows:

"The Administrator shall not approve the enrollment of an eligible person in any course of institutional on-farm training, any course to be pursued by correspondence (except as provided in section 1727 of this chapter), open circuit television (except as herein provided), or a radio, or any course to be pursued at an educational institution not located in a State or in the Republic of the Philippines."

SEC. 309. Clause (3) of subsection (b) of section 1725 of title 38, United States Code, is amended by inserting after the words "general locality" the following: "or where the school has made a complete move with substantially the same faculty, curricula, and students, without a change in ownership."

SEC. 310. Subchapter III of chapter 35 of title 38, United States Code, is amended by inserting immediately after section 1725 the following new sections:

"§ 1726. Special training for the educationally disadvantaged

"(a) In the case of any eligible widow or wife who—

"(1) has not received a secondary school diploma (or equivalency certificate), and

"(2) in order to pursue a program of education for which she would otherwise be eligible, needs additional secondary school training, either refresher courses or deficiency courses, to qualify for admission to an appropriate educational institution,

the Administrator may, without regard to the provisions of section 1723 (d), approve the enrollment of such widows or wives in an appropriate course or courses to be pursued in a State.

"(b) The Administrator shall pay eligible widows or wives pursuing a course or courses pursuant to subsection (a) of this section an educational assistance allowance as provided in sections 1731 and 1732 of this chapter; except that no enrollment in adult evening secondary school courses shall be approved in excess of half-time training as defined in section 1733 of this title.

"(c) The educational assistance allowance authorized by this section shall be paid without charge to any period of entitlement the widow or wife may have pursuant to sections 1710 and 1711 of this chapter.

"§ 1727. Correspondence courses

"(a) Each eligible wife or widow (as defined in section 1701 (a) (1) (B), (C), or (D) of this chapter) who is pursuing a program of education exclusively by correspondence shall be paid an educational assistance allowance computed at the rate of 90 per centum of the established charge which the institution requires other individuals enrolled in the same program to pay. The term 'established charge' as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to such eligible person, whichever is the lesser. Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the eligible person and serviced by the institution.

"(b) The period of entitlement of any eligible person who is pursuing any program of education exclusively by correspondence shall be charged with one month for each $200 which is paid to the eligible person as an educational assistance allowance for such course."

SEC. 311. Section 1731 of title 38, United States Code, is amended by--

(a) inserting in clause (2) of subsection (b) immediately after the words "standard college degree" the following: "(excluding programs of apprenticeship and programs of other on-job training authorized by section 1738 of this title)"; and

(b) amending subsection (e) to read as follows:

"(e) No educational assistance allowance shall be paid to an eligible person enrolled in a program of education consisting exclusively of correspondence courses for any period until the Administrator shall have received (1) from the eligible person a certificate as to the number of lessons actually completed by the eligible person and serviced by the institution, and (2) from the educational institution, a certification, or an endorsement on the eligible person's certificate, as to the number of lessons completed by the eligible person and serviced by the institution."

SEC. 312. Clause (2) of subsection (a) of section 1732 of title 38, United States Code, is amended by adding at the end thereof the following: "Notwithstanding provisions of section 1731 of this title, payment of the educational assistance allowance provided by this clause may be made to an eligible person in an amount computed for the entire quarter, semester, or term during the month immediately following the month in which certification is received from the educational institution that the person has enrolled in and is pursuing a program at such institution."

SEC. 313. Subsection (a) of section 1733 of title 38, United States Code, is amended to read as follows:

"(a) For the purposes of this chapter—

"(1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with no more than two and one-half hours of rest periods per week allowed;

"(2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction (which may include customary intervals not to exceed ten minutes between hours of instruction) is required;

"(3) an academic high school course requiring sixteen units for a full course shall be considered a full-time course when a minimum of four units per year is required. For the purpose of this clause, a unit is defined to be not less than one hundred and twenty sixty-minute hours or their equivalent of study in any subject in one academic year;

"(4) an institutional undergraduate course offered by a college or university on a quarter- or semester-hour basis shall be considered a full-time course when a minimum of fourteen semester hours or the equivalent thereof, for which credit is granted toward a standard college degree (including those for which no credit is granted but which are required to be taken to correct an educational deficiency), is required, except that where such college or university certifies, upon the request of the Administrator, that (A) full-time tuition is charged to all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, or (B) all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, are considered to be pursuing a full-time course for other administrative purposes, then such an institutional undergraduate course offered by such college or university with such minimum number of such semester hours shall be considered a full-time course, but in the event such minimum number of semester hours is less than twelve semester hours or the equivalent thereof, then twelve semester hours or the equivalent thereof shall be considered a full-time course; and

"(5) a program of apprenticeship or a program of other on-job training shall be considered a full-time program when the eligible person is required to work the number of hours constituting the standard workweek of the training establishment, but a workweek of less than thirty hours shall not be considered to constitute full-time training unless a lesser number of hours has been established as the standard workweek for the particular establishment through bona fide collective bargaining."

SEC. 314. Subchapter IV of chapter 35 of title 38, United States Code, is amended by inserting immediately after section 1737 the following new section:

"§ 1738. Apprenticeship or other on-job training

"(a) An eligible person (as defined in section 1701 (a) of this chapter) may receive the benefits of this chapter while pursuing, in a State, a full-time—

"(1) program of apprenticeship approved by a

State approving agency as meeting the standards of apprenticeship published by the Secretary of Labor pursuant to section 50a of title 29, or

"(2) program of other training on the job approved under the provisions of section 1777 of this title,

subject to the conditions and limitations of this chapter with respect to educational assistance.

"(b) (1) The monthly training assistance allowance of such eligible person pursuing a program described under subsection (a) shall be (A) $160 during the first six-month period, (B) $120 during the second six-month period, (C) $80 during the third six-month period, and (D) $40 during the fourth and any succeeding six-month periods.

"(2) In any month in which an eligible person pursuing a program of apprenticeship or a program of other on-job training fails to complete one hundred and twenty hours of training in such month, the monthly training assistance allowance set forth in subsection (b) (1) of this section shall be reduced proportionately in the proportion that the number of hours worked bears to one hundred and twenty hours rounded off to the nearest eight hours.

"(c) For purposes of this chapter and chapter 36 of this title, the terms 'program of apprenticeship' and 'program of other on-job training' shall have the same meaning as 'program of education'; and the term 'training assistance allowance' shall have the same meaning as 'educational assistance allowance'."

SEC. 315. Section 1777 of title 38, United States Code, is amended—

(a) by amending clauses (1) and (2) of subsection (b) to read as follows:

"(1) the wages to be paid the eligible veteran or eligible person (A) upon entrance into training are not less than the wages paid other nonveterans in the same training position and are at least 50 per centum of the wages paid for the job for which he is to be trained, and (B) such wages will be increased in regular periodic increments until, not later than the last full month of the training period, they will be at least 85 per centum of the wages paid for the job for which such eligible veteran or eligible person is being trained; and

"(2) there is reasonable certainty that the job for which the eligible veteran or eligible person is to be trained will be available to him at the end of the training period."; and

(b) by inserting "or eligible person" immediately after "eligible veteran" each place it appears in subsection (c) and "or person" immediately after "provided to the veteran" in clause (8) of such subsection.

SEC. 316. The table of sections at the beginning of chapter 34 of title 38, United States Code, is amended by—

(a) inserting immediately after

"1677. Flight training."

the following:

"1678. Correspondence courses.";

(b) inserting immediately after

"1687. Discontinuance of allowances."

the following:

"1688. Veteran-student employment.";

and

(c) striking out

"SUBCHAPTER VI—PREDISCHARGE EDUCATION PROGRAM"

and inserting in lieu thereof:

"SUBCHAPTER VI—PREPARATORY EDUCATION PROGRAM".

SEC. 317. The table of sections at the beginning of chapter 35 of title 38, United States Code, is amended by—

(a) inserting immediately after

"1725. Period of operation for approval."

the following:

"1726. Special training for the educationally disadvantaged.
"1727. Correspondence courses.",

and

(b) inserting immediately after

"1737. Specialized vocational training courses."

the following:

"1738. Apprenticeship or other on-job training.".

SEC. 318. Section 102 of title 38, United States Code, is amended as follows:

(1) Subsection (b) thereof is amended to read as follows:

"(b) For the purposes of this title, (1) the term 'wife' includes the husband of any female veteran; and (2) the term 'widow' includes the widower of any female veteran."

(2) The heading of said section is amended to read as follows:

"§ 102. Dependent parents; husbands".

SEC. 319. The table of sections at the beginning of chapter 1 of title 38, United States Code, is amended by striking out

"102. Dependent parents and dependent husbands."

and inserting in lieu thereof

"102. Dependent parents; husbands."

SEC. 320. Section 3301 of title 38, United States Code, is amended by inserting after "Veterans' Administration" in the paragraph preceding item (1), the language: "and the names and addresses of present or former personnel of the armed services, and their dependents in the possession of the Veterans' Administration."

SEC. 321. Section 1774 (b) of title 38, United States Code, is amended to read as follows:

"(b) The allowance for administrative expenses incurred pursuant to subsection (a) of this section shall be paid in accordance with the following formula:

Total salary cost reimbursable under this section	Allowance for administrative expense
$5,000 or less	$300.
Over $5,000 but not exceeding $10,000	$540.
Over $10,000 but not exceeding $35,000.	$540 for the first $10,000 plus $480 for each additional $5,000 or fraction thereof.
Over $35,000 but not exceeding $40,000.	$3,150.
Over $40,000 but not exceeding $75,000.	$3,150 for the first $40,000 plus $420 for each additional $5,000 or fraction thereof.
Over $75,000 but not exceeding $80,000.	$6,270.
Over $80,000	$6,270 for the first $80,000 plus $360 for each additional $5,000 or fraction thereof."

TITLE IV—EFFECTIVE DATES

Sec. 401. Titles I and II of this Act shall become effective on the first day of the second calendar month following the month in which enacted.

Sec. 402. Section 303 of this Act shall become effective upon the first enrollment of an eligible veteran which occurs on or after the first day of the second calendar month following the month in which enacted.

Passed the House of Representatives March 6, 1972.

Attest:

W. PAT JENNINGS,

Clerk.

92d Congress } HOUSE OF REPRESENTATIVES { Report
2d Session } { No. 92-887

VETERANS' EDUCATION AND TRAINING AMENDMENTS OF 1972

February 29, 1972.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Teague of Texas, from the Committee on Veterans' Affairs, submitted the following

REPORT

[To accompany H.R. 12828]

The Committee on Veterans' Affairs, to whom was referred the bill (H.R. 12828) to amend chapters 31, 34 and 35 of title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and persons; to provide for advance educational assistance payments to certain veterans; to make improvements in the educational assistance programs; and for other purposes, having considered the same, report favorably thereon, by unanimous voice vote with amendments, and recommend that the bill, as amended, do pass.

The amendments are as follow:

On page 25, between lines 14 and 15, insert the following new sections:

> Sec. 320. Section 3301 of title 38, United States Code, is amended by inserting after "Veterans' Administration" in the paragraph preceding item (1), the language:
> "and the names and addresses of present or former personnel of the armed services, and their dependents in the possession of the Veterans' Administration".
>
> Sec. 321. Section 1774(b) of Title 38, United States Code, is amended to read as follows:

"(b) The allowance for administrative expenses incurred pursuant to subsection (a) of this section shall be paid in accordance with the following formula:

Total salary cost reimbursable under this section	*Allowance for administrative expense*
$5,000 or less	$300.
Over $5,000 but not exceeding $10,000	$540.
Over $10,000 but not exceeding $35,000	$540 for the first $10,000 plus $480 for each additional $5,000 or fraction thereof.
Over $35,000 but not exceeding $40,000	$3,150.
Over $40,000 but not exceeding $75,000	$3,150 for the first $40,000 plus $420 for each additional $5,000 or fraction thereof.
Over $75,000 but not exceeding $80,000	$6,270.
Over $80,000	$6,270 for the first $80,000 plus $360 for each additional $5,000 or fraction thereof."

On page 23, lines 23 and 24, immediately after the words "subsection (c)" insert the following:

> and "or person" immediately after "provided to the veteran" in clause (8) of such subsection.

BACKGROUND OF THE BILL

The current "GI Bill," providing a program of educational assistance for veterans, was enacted March 3, 1966 as the "Veterans' Readjustment Benefits Act of 1966." At that time, the Congress set forth its purpose and intent by providing in the Act itself as follows:

"The Congress of the United States hereby declares that the education program created by this chapter is for the purpose of (1) enhancing and making more attractive service in the Armed Forces of the United States, (2) extending the benefits of a higher education to qualified and deserving young persons who might not otherwise be able to afford such an education, (3) providing vocational readjustment and restoring lost educational opportunities to those service men and women whose careers have been interrupted or impeded by reason of active duty after January 31, 1955, and (4) aiding such persons in attaining the vocational and educational status which they might normally have aspired to and obtained had they not served their country."

It should also be recalled that from the outset of the program it was the intent to provide a reasonable measure of assistance to an eligible veteran who elects to pursue an educational program. In fact, the basic authorization language provided "The Administrator shall pay to each eligible veteran who is pursuing a program of education under this chapter an educational assistance allowance to meet, *in part*, the expenses of his subsistence, tuition, fees, supplies, books, equipment, and other educational costs." (Emphasis added.) The original allowance for a single veteran pursuing a full-time institutional program was $100 per month. This allowance was increased to $130 in October, 1967 (P.L. 90–77) and to $175 in February, 1970 (P.L. 91–219). The Committee's bill, if enacted, will increase such allowance to $200, thereby achieving a 100% increase in the allowance approximately six years after the new program was authorized. Comparable increases were, of course, made at the stated intervals for veterans with dependents.

In addition to the veterans themselves, liberal programs of educational assistance have been extended to children of persons who have died of a service-connected disability or of veterans who have a total disability permanent in nature resulting from a service-connected disability, as well as to children of active duty personnel who are prisoners of war, internees or listed as missing in action. Comparable benefits are also extended to the wives and widows of veterans who are listed in the foregoing categories. In the 91st Congress, programs of special assistance for the educationally disadvantaged were expanded to include elementary school training and special supplementary tutorial assistance benefits, in addition to the secondary education benefits previously provided. The law specifically provides that these special types of educational assistance shall be paid without charge to the period of entitlement the veteran may have earned pursuant to section 1661(a) of chapter 34.

In arriving at certain policy decisions before reporting H.R. 12828, the Committee gave appropriate consideration to bills on the agenda which propose to make a separate payment directly to the school involved for tuition, fees, etc. A program of this sort was in effect for World War II veterans under the original GI Bill; however, an extensive inquiry into the operations of that program made by a select committee of the House disclosed that it encouraged major abuses and became an administrative nightmare. Accordingly, when the Korean GI Bill was enacted in 1952, the basic policy approach was changed and has continued to the present date.

Aside from the extremely complex administration of a program such as provided for the World War II veterans, there is a substantial policy question. The Committee believes that veterans should receive equal treatment rather than favoring those individuals who, for their own personal reasons, choose to attend high-cost schools. The so-called "direct tuition payment" bills have been estimated to involve an additional cost the first year of about one-half billion dollars and most of this would go to veterans enrolled in high-cost, private schools. Those veterans enrolled in low-cost colleges, junior colleges and universities would receive very little under such bills and there would be a great many veterans who would receive no increase at all. Again, the Committee invites attention to the basic, original philosophy that the benefit involved is an *assistance* allowance to meet, *in part*, a veteran's educational costs. Included in the Subcommittee hearings is an interesting compilation of the 1971–1972 fixed costs at approximately 2600 educational institutions throughout the country. Such costs are broken down as to tuition, fees, room and board, and the resulting total. In the case of a single veteran who will receive under the bill $1800 for the typical nine month course of education it is interesting to note that there are hundreds of excellent institutions of higher learning where the veteran's total allowance should meet all, or substantially all, of the total estimated costs involved.

The Committee takes emphatic issue with allegations that have come to its attention that the veterans' education program is inadequate and is having a very low participation rate. The fact is that almost 3 million eligible persons have taken training under the present program and over 1.1 million beneficiaries were in training at the end of December, 1971. Training numbers under the current program for the first six years are almost identical to the six-year performance under the World War II and Korean programs; however, it is interesting to note that there is a substantially higher percentage now attending institutions of higher learning.

The Subcommittee on Education and Training held hearings on November 30, December 1, 8 and 9, on all pending bills dealing with the education and training of veterans and certain of their wives, widows, and children. When the representative of the Veterans Administration appeared, he submitted an Administration proposal which was introduced as H.R. 11954. That bill proposed to increase the basic educational allowances by 8.6% and the rates for on-job and apprentice trainees by 48%. The bill also proposed certain other improvements in the various programs which are generally now embodied in H.R. 12828. Although the Committee has added some new provisions in its reported bill, the major difference from the VA proposal is with respect to the general increases in educational allowances which, in this bill, approximate 14%.

PURPOSES OF THE BILL

A detailed section-by-section analysis of the bill follows hereafter. At this point the major purposes of the bill can be described as follows:

TITLE I

The major purpose of this title is to increase the present basic allowances across the board by approximately 14%. The last general rate increase was effective February 1, 1970, and the Committee believes that in view of the lapse of time that has already occurred and the necessary time that will be involved before final congressional enactment, this higher rate of increase is justified. It is significant to observe that in the vast majority of cases the new allowances will probably not become fully available until the opening of the fall term at most schools in September, 1972. The present rate for a veteran alone is $175. The VA proposal would increase this to $190, whereas H.R. 12828 proposes a rate of $200. The rates for veterans with dependents would be increased proportionately.

H.R. 12828, like the VA proposal, provides substantial increases of about 48% in the rates for on-job and apprentice trainees. It was pointed out at the hearings that experience has shown that these are the areas where the greatest need occurs and the larger increases will provide incentives to stimulate job opportunities for veterans.

TITLE II

H.R. 12828, consistent with the VA's recommendation, also contains provisions for authorizing advance payment of the rehabilitation subsistence, and educational assistance allowances. Experience has shown that under the existing law there is an inevitable delay in the veteran's receipt of his allowance at the outset of his educational pursuit. This provision will give him an initial advance payment for the first month or partial month *plus* an allowance for one full month. As a safeguard against possible overpayments, it is required that proof be received that the eligible veteran has actually been enrolled in an approved institution.

This title of the bill also authorizes the VA to employ, as intermittent employees, veteran-students enrolled in full-time programs of education or training. Compensation would be at the going rate for the job classification of the work which would be performed. Wherever utilized, this authority will help many worthy veterans in meeting the additional financial demands caused by the education or training expenses.

TITLE III

The major thrust of this title is to extend to wives and widows the right to pursue correspondence courses, and authorize apprentice or other on-job training programs for wives, widows, and children. These types of courses are now available to the veteran himself. It has been demonstrated that in many cases these classes of dependents or survivors of veterans have the same need for such below-college training to fit them for a livelihood without having to pursue a college course of education. This title would also provide authority for eligible wives and widows to pursue secondary level training without charge to their basic entitlement. Similar authority is already extended to educationally disadvantaged veterans, and this would be a logical extension of such benefit.

The so-called "two year rule," under which a course must have been in existence for that period at a given school, has proved to be a hardship in certain meritorious cases where the school has made a complete move to a new location outside the general locality of its former site. This provision in the bill, which is recommended by the VA, would waive this requirement when a school moves if it is determined that the school has substantially retained the same faculty, curricula, and students without a change in ownership.

Certain changes are contained in the bill which deal with the so-called PREP (Predischarge Education Program), the in-service education program. To more accurately reflect the purpose of the program, the bill would change its name to Preparatory Education Program. It would also authorize the payment of educational allowances in cases where the eligible person is pursuing a course "needed to obtain an equivalency certificate." At the present time, the only courses recognized in this program are those leading to a secondary school diploma. The GED (General Education Development) program currently provided by the military services offers servicemen the opportunity to pursue courses which will prepare them for taking the equivalency examination. Upon completion of the course work and successful passage of the equivalency examination, the serviceman is given an equivalency certificate rather than a secondary school diploma. The Department of Defense representatives have maintained that current law, which requires pursuit of the high school diploma courses, but does not permit pursuit of the equivalency certificate courses, is a fine distinction in form and is unjustified.

Section 304 of the bill contains a provision dealing with institutional farm training. It is designed to accomplish two purposes. First, it would permit an alternate method of measurement of courses in this program whereby the educational institution, which is now under a dual restriction of a minimum of 12 hours per week over a pre-scheduled 44 week school year, can also arrange class scheduling under which a program could be considered to be pursued on a full-time basis if it involved a minimum of 528 clock hours in a year pre-scheduled to provide not less than 80 clock hours in any three month period. This is designed to better permit the eligible veteran, who is engaged in agricultural occupation, to meet his job requirements which change seasonally as well as during each month based upon the type of employment. Through this greater flexibility, training can be intensified when needed to produce the greatest educational results. This section would also provide that in computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the veteran is enrolled.

This title would also bring into one section the applicable law pertaining to correspondence courses. The new section provides for computation of the educational assistance allowance based upon 90 percent of the established charge which the institution requires nonveterans to pay for the pursuit of the same course or courses.

Current law (section 1682(c)(1)) provides for computation based on the full cost of the program. This is the only program which will return to the veteran the full cost of his tuition. It also is training which permits the trainee to train at any pace he chooses, thereby allowing him to pursue a vocation as he wills. In all other training programs authorized under chapter 34, the veteran has a stake in his own training by meeting himself a part of the cost of his own education. By requiring the eligible veteran to pay a minimal 10 percent of the cost of the course, he will have such a stake and will give greater thought to his choice of a training objective and the means of achieving his goal.

This change would have the effect of placing the correspondence training program on a par with flight training in that the veteran, under both programs, would be required to pay a minimal amount towards his own education. The benefit payable under the correspondence training program would be increased by providing that a veteran's entitlement would be charged with one month for each $200 paid to him as an educational assistance allowance instead of the current $175 figure. This is the same benefit which is provided a veteran under title I of the bill who is pursuing a flight training program.

A section has been included in this title which provides that for all VA purposes, a "wife" shall include the husband of a female veteran and the term "widow" shall include the widower of a female veteran. Under present law, in each case it must be shown that the husband or widower must be "incapable of self-maintenance and permanently incapable of self-support due to mental or physical disability." The objective of this liberalized definition has the favorable recommendation of the Veterans Administration.

The Committee has approved three amendments to the bill, one of which is purely technical in nature. The first Committee amendment is designed to insure that names and addresses of veterans and their dependents and survivors in the possession of the Veterans Administration will be treated as confidential. The second substantive amendment provides a 20 percent increase in the table of allowances for administrative expenses payable to State approving agencies. The present allowances were established in 1968 and have not been increased since then. The VA estimates the additional cost of this provison as follows:

Fiscal year:	
1973	$110,340
1974	119,200
1975	128,700
1976	139,000
1977	150,150
5-year additional cost	647,390

TITLE IV

This title deals with effective dates under which the rate increases and advance pay provisions shall become effective on the first day of the second calendar month following the month in which enacted.

COST DATA

COST DATA—INCREASED ALLOWANCES PROPOSED IN TITLE I OF H.R. 12828

[Dollars in millions]

Fiscal year	All chapters		Ch. 31		Ch. 34		Ch. 35	
	Individuals	Direct benefits cost	Individuals	Direct benefits cost	Individuals	Direct benefits cost	Individuals	Direct benefits cost
1st[1]	1,281,000	$127.5	32,000	$3.1	1,190,000	$119.0	59,000	$5.4
2d	1,326,000	266.2	33,000	6.4	1,232,000	248.6	61,000	11.2
3d	1,283,000	258.5	34,000	6.6	1,186,000	240.5	63,000	11.4
4th	1,077,000	217.5	35,000	6.8	979,000	199.2	63,000	11.5
5th	1,037,000	211.0	36,000	7.0	939,000	192.7	62,000	11.3
5-year total		1,080.7		29.9		1,000.0		50.8
6th	910,000	185.9	37,000	7.1	812,000	167.7	61,000	11.1

[1] For the 1st fiscal year, the data on individuals apply to the entire year while the cost figures are only ½ as great as they would have been for the entire year.

TOTAL COST OF H.R. 12828 FOR THE 1ST 5 FULL YEARS

	Section numbers	Fiscal year—					5-year total
		1973	1974	1975	1976	1977	
Rate increases	101, 102, 103	$266.2	$258.5	$217.5	$211.0	$185.9	$1,139.1
90 percent payment for ch. 34 correspondence	303	−8.0	−8.0	−6.0	−6.0	−5.0	−33.0
GED under PREP	305	24.0	24.0	24.0	24.0	24.0	120.0
Secondary education, ch. 35	310	2.6	2.9	2.8	2.2	2.0	12.5
Correspondence, ch. 35	310	.6	.7	.9	.9	1.0	4.1
OJT, ch. 35	314	7.1	7.9	7.2	6.9	6.0	35.1
Female veterans	318	.5	.5	.5	.5	.5	2.5
Total additional direct benefits cost		293.0	286.5	246.9	239.5	214.4	1,280.3
Eliminates some counseling, ch. 35 (reduction in administrative cost)	307	−1.0	−1.0	−1.0	−1.0	−1.0	−5.0
Total additional cost		292.0	285.5	245.9	238.5	213.4	1,275.3

Notes: Above table does not include the modest additional administrative expenses of State approving agencies. These costs are itemized above for the first five years. No cost is included for sec. 304 (farm training) which is believed to be minimal.

The committee has examined the cost estimates provided by the Veterans Administration and finds no basis to question their authenticity and therefore adopts them as its own.

SECTION-BY-SECTION ANALYSIS OF H.R. 12828

TITLE I—VOCATIONAL REHABILITATION-EDUCATIONAL ASSISTANCE RATE ADJUSTMENTS

This title provides rate increases in all areas of educational benefits under chapters 31, 34 and 35 of title 38. With the exception of on-job and apprentice benefits, the rate changes, for the most part, approximate 14 percent. This percentage represents the increase in the cost of living which has occurred since the last general rate increase became effective on February 1, 1970 plus a reasonable estimate of the further increase that may occur prior to the final enactment and ultimate effectiveness of the bill. The rate increases provided for on-job and apprentice trainees approximate 48 percent. Experience has shown that these are the areas where the greatest need occurs and the larger increases will provide incentives to stimulate job opportunities for veterans.

Section 101

Subsection (a) of this section amends section 1504(b) to provide increases in the monthly subsistence allowance rates for veteran-trainees who are pursuing vocational rehabilitation training courses. The rate for a single veteran without dependents who is pursuing full-time institutional training would be increased from $135 per month to $154 per month. Comparable increases are provided for those trainees pursuing part-time training and for those pursuing institutional on-farm, apprentice, or other on-job training full time.

Subsection (b) amends section 1507 to increase the amount of the loan which may be made to trainees from $100 to $200.

Section 102

Subsection (a) of this section amends section 1677(b) to increase the monthly entitlement charge for flight training courses from $175 to $200 per month.

Subsection (b) amends the table contained in paragraph (1) of section 1682(a) to increase the monthly educational assistance rates for veterans pursuing full-time, three-quarter-time and half-time institutional educational courses. The rates for cooperative training would also be increased. The single veteran without dependents who is pursuing a full-time institutional course would, for example, be increased from the current $175 monthly rate to $200 per month.

Subsection (c) amends section 1682(b) to increase the rates for educational pursuits by servicemen on active duty and for those pursuing less than half-time courses to $200 per month.

Subsection (d) amends section 1682(d)(2) to increase the rates for pursuit of agricultural cooperative programs. The single veteran without dependents pursuing a full-time course would, for example, be increased from $141 per month to $161 per month.

Subsection (e) amends section 1683(b) to increase the monthly training assistance rates for veterans pursuing apprentice and on-job training programs.

Subsection (f) amends section 1696(b) to increase the educational assistance allowance maximum for persons pursuing PREP courses from $175 to $200 per month.

Section 103

Subsection (a) of this section amends section 1732(a)(1) to increase the rate of educational assistance allowance payable to children, widows and wives pursuing educational programs under chapter 35. The rate increases apply to full-time, three-quarter-time and half-time training. The full-time rate, for example, would be increased from $175 to $200 per month.

Subsection (b) amends section 1732(a)(2) to increase the monthly educational assistance rate payable in the case of eligible persons pursuing programs of education on a less than half-time basis.

Subsection (c) amends section 1732(b) to increase the monthly educational assistance rate payable in the case of eligible persons pursuing cooperative education courses which consist of institutional courses and alternate phases of training in a business or industrial establishment.

Subsection (d) amends section 1742(a) to increase the special restorative training assistance allowance to those children who are in need of special restorative training.

It is estimated that cost of title I of H.R. 12828 would approximate $266.2 million for the first full year.

No change is made in title I of the bill to increase the benefit rate for correspondence course training. Section 303 of title III of the bill adds a new section 1678 to replace section 1682(c) of title 38 which currently authorizes such training. The current provisions are repealed by section 304. In enacting the new section, the benefit rate for such training is raised from $175 to $200 per month, a figure which is identical with the higher rate provided for flight training.

TITLE II—ADVANCE VOCATIONAL REHABILITATION SUBSISTENCE AND EDUCATIONAL ASSISTANCE ALLOWANCE PAYMENT

Section 201

This section would amend section 1504(a) to authorize the Administrator to make an initial advance payment of the subsistence allowance granted under chapter 31 to veterans enrolled in a vocational rehabilitation training program on a half-time or more basis, plus the allowance for one full month, upon receipt of proof that the eligible veteran has been enrolled in an approved educational institution. Such payment would be made not earlier than the first of the month in which pursuit of the program is to commence. Thereafter, payments would continue to be made in advance at the beginning of each month in which the veteran pursues his program of training. Administrative control over the propriety of such payment is provided for by authorizing the Administrator to withhold final payment to such veteran until proof of satisfactory pursuit of the program is furnished.

Section 202

This section would amend subsections (d) and (e) of section 1681 to authorize the Administrator to make an initial advance payment of the educational assistance allowance granted under chapter 34 to veterans enrolled in an educational institution on a half-time or more basis on the same premise as provided under section 201 of this title for vocational rehabilitation trainees. Certification requirements for the pursuit of flight training and correspondence courses pursued under chapter 34 would be retained. The bill does not provide for advance payment of the training assistance allowance for persons pursuing apprenticeship or other on-job training programs.

Section 203

This section would amend subsection (d) of section 1731 to extend the advance pay principle to eligible wives, widows, and children who are pursuing educational programs on a half-time or more basis under chapter 35.

Section 204

This section would add a new section 1688 to chapter 34 setting forth new language which would give the Administrator authority to employ, as intermittent employees, veteran-students enrolled in full-time programs of education or training under chapters 31 and 34. This would diversify current Veterans Administration's authority to hire these veteran-students and utilize their services at such times and places as the Administrator deems advisable. This new section would also authorize the Administrator to pay the going rate for the job classification for the work which would be performed.

No cost would be incurred if title II were to be enacted, but additional outlays would be required in the first fiscal year (assuming enactment in fiscal year 1973) of approximately $101 million because of advances made in that year which would normally not be paid until the following fiscal year. This amount would, however, be recouped from subsequent payments made to these veterans or eligible persons.

The proposal incorporated in section 202 of this title is virtually identical with a proposal transmitted to the Congress on January 26, 1971 by the Veterans Administration. This advance pay principle has been expanded to include veterans training under chapter 31 and wives, widows and children training under chapter 35.

TITLE III—EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

Section 301

This section amends section 1671 of title 38, United States Code, to require a serviceman's application for GI Bill education benefits be approved by a service education officer before it may be considered by the Administrator.

By requiring such approval, an opportunity would be available to discuss with the serviceman the various courses of training which he might pursue. This would acquaint him with the educational opportunities not only from commercial correspondence programs but from all sources. The service education officer could determine whether the program of education selected by the serviceman is suitable for his aptitudes and could be satisfactorily completed within the limits of his present environment.

It is estimated that this section would not result in any additional cost.

Section 302

This section would amend clause (3) of subsection (b) of section 1675 to add new language to the so-called two-year rule authorizing enrollment of veterans in courses where the school has made a complete move to a new location outside the general locality of its former site, where it is determined that the school has substantially retained the same faculty, curricula and students, without a change in ownership.

Under current law the Administrator may not approve the enrollment of veterans in any course offered by an educational institution where such course has been in operation for less than two years. Clause (3) of subsection (b) of section 1675 presently states that where a course has been offered for more than two years, veterans may be enrolled in such a course even though the school has moved to another location within the same general locality. By regulation (VAR 14251 (D)), the term "same general locality" has been defined to mean a move to a new location within normal commuting distance of the original location. This regulation also states that in such a case the faculty, student body and curricula must remain essentially the same.

Established schools may find it necessary to relocate as additional facilities are required to meet demands caused by increases in the number of students such as the need for library space and the need for additional classrooms. The application of VAR 14251(D) with reference to a move within the "same general locality" may have different application where the school is in a city rather than a rural area.

Under the proposed change, the determination would be made based upon the individual facts as found in each case. Primary importance would be placed on such factors as (1) retention of faculty, (2) no change in ownership, (3) substantially the same student body, and (4) the same curriculum.

It is estimated that enactment of this section would not result in any additional cost.

Section 303

This section would add a new section 1678 to chapter 34 of title 38, United States Code, to bring into one section the applicable law pertaining to correspondence courses.

Subsection (a) of the new section provides for computation of the educational assistance allowance based upon 90 percent of the established charge which the institution requires nonveterans to pay for pursuit of the same course or courses.

Current law (section 1682(c)(1)) provides for computation based on the full cost of the program. This is the only program which will return to the veteran the full cost of his tuition. It also is training which permits the trainee to train at any pace he chooses, thereby allowing him to pursue vocation or avocation as he wills. In all other training programs authorized under chapter 34, the veteran has a stake in his own training by meeting himself a part of the cost of his own education. By requiring the eligible veteran to pay a minimal 10 percent of the cost of the course, he will have such a stake and will give greater thought to his choice of a training objective and the means of achieving his goal.

This change would have the effect of placing the correspondence training program on a par with flight training in that the veteran, under both programs, would be required to pay a minimal amount towards his own education. This subsection also increases the benefit payable under the correspondence training program by providing that a veteran's entitlement would be charged with one month for each $200 paid to him as an educational assistance allowance instead of the current $175 figure. This is the same benefit which is provided a veteran under title I of the bill who is pursuing a flight training program.

The remainder of this new subsection merely represents a duplication of language which is contained in current law.

It is estimated that enactment of this provision would result in direct benefit savings as follows:

Direct benefit savings

Year:	*Millions*
1st	$8
2d	8
3d	6
4th	6
5th	5
Total 5-year savings	33

Section 304

The first part of this section is technical in nature and merely reflects the shift of certain provisions concerning correspondence courses currently contained in section 1682 of title 38 to the new section 1678 proposed to be set up by section 303.

The second part of this section is designed to permit greater flexibility in the scheduling of the institutional portion of farm cooperative training programs.

As an alternative to the provision of existing law requiring 12 clock hours per week of institutional agricultural courses for 44 weeks in a year to qualify for the full-time educational assistance allowance, the new language authorizes an equivalent number of annual hours, 528, to be prescheduled at anytime, provided at least 80 hours of institutional training are pursued in any three month period. The added flexibility will permit a veteran's curriculum to be prescheduled to provide a minimum of classroom instruction during peak periods of farming activity, and conversely, a maximum class schedule during periods of minimal farming activity.

Additionally, the section permits the time utilized for field trips as well as individual and group instruction to be included in computing the institutional portion of a farm cooperative training program. It is not intended that this informal type of training will in any manner be a general substitute for classroom instruction required. Instead, it is contemplated that the informal instruction authorized by this amendment will be utilized only when the need for such field trips or instruction is indicated and it is directly related to problems encountered by the veteran in his agricultural employment.

Section 305

This section would amend the PREP program authorized by subchapter VI of chapter 34 of title 38.

Subsection (a) of this section amends the subchapter heading to change the name of the program from Predischarge Education Program to Preparatory Education Program.

Although eligibility for PREP assistance begins early in military service (after completion of 181 days of active service), many servicemen consider the program to be one designed for an individual who is about to leave military service. The present name of the program—Predischarge Education Program—accounts for a good deal of this confusion. Therefore, to help alleviate this misunderstanding the name would be changed to Preparatory Education Program.

Subsection (b) changes the purpose section (section 1695(a)) of the program to incorporate the change in the name of the program from Predischarge to Preparatory Education Program.

Subsection (c) amends section 1696(a) to permit payment of an educational assistance allowance to servicemen where they pursue courses needed by them to successfully pass the GED examination and receive a high school equivalency certificate.

Current law limits the objective of the PREP program, as far as secondary level training is concerned, to high school diploma courses. There is no authority for the pursuit of courses leading to the GED objective.

In conjunction with the program for educationally disadvantaged veterans (subchapter V of chapter 34 of title 38), authority is currently granted for the pursuit of courses needed to obtain the equivalency certificate. The change proposed by this subsection would extend this same opportunity to servicemen and thereby tend to equalize the benefits available to disadvantaged veterans and servicemen. This would avoid any discrimination between two categories of disadvantaged individuals.

It is estimated that this program would cost in the magnitude of $24 million a year.

Section 306

This section amends subsection (a) of section 1701 of title 38 to make two changes. The first revision amends paragraph (6) to include correspondence schools within the definition of "educational institution." This change is made necessary by the addition, in section 310 of the bill, of a new section 1727 to chapter 35 permitting wives and widows to pursue correspondence courses. The rationale and cost estimate for this new section are set forth in the discussion of section 310 of this analysis.

The second change adds a new paragraph (9) adding the term "training establishment" to the definitions currently applicable to chapter 35.

Under current law, wives, widows and children are entitled to other educational benefits, but they are not eligible to pursue apprentice or other on-job training programs. The change made in this section (as well as those changes made in chapter 35 by sections 308, 311(a), 313, 314, and 315 of this bill) extend such training opportunities to them.

A college education may not be suitable for everyone. Offering these individuals the opportunity to pursue on-job and apprenticeship training programs would afford those desiring post high school training another way of entering an occupation. Such programs would also offer forms of training in which these individuals would be able to receive high financial reward upon completion.

It is estimated that enactment of this program, which is limited later in the bill by the proposed new section 1738(a) to pursuit of training in a State, would result in the following costs:

	Direct benefits cost (in millions)
Fiscal year:	
1st	$7.1
2d	7.9
3d	7.2
4th	6.9
5th	6.0
5-year total	35.1

Section 307

This section would amend section 1720 of title 38 to eliminate mandatory counseling for certain children training under the provisions of chapter 35.

Current law (section 1720) provides that the Administrator shall arrange for counseling for all children entering training under chapter 35 to assist the parent or guardian and the child in selecting an educational or vocational objective.

Under the chapter 35 program, the Government acts as a substitute parent standing in the place of the deceased or disabled parent in providing financial assistance to enable the child to pursue his education. The responsibility imposed by law calls for the furnishing of this counseling assistance in helping the child in making a reasonable choice of an objective.

There are, however, many cases where a child is already enrolled at or is attending a college and it can be assumed that in those cases a reasonable choice has been made and a suitable objective chosen. Mandatory counseling is an obvious duplication in such cases. While the mandatory requirement would be removed, any further counseling or guidance the child might need would still be available through the school or the Veterans Administration, if requested.

It is estimated that enactment of this section would result in savings in the program of approximately $1 million per year over the next five years.

Section 308

This section amends section 1723 of title 38 to eliminate the bar on pursuit of apprentice and other on-job training programs by chapter 35 beneficiaries. The rationale for this change is elaborated on in the analysis of section 306. This section also exempts widows and wives from the bar on pursuit of correspondence course training. The rationale for this change is elaborated on in the analysis of section 310.

Section 309

This section would amend clause (3) of subsection (b) of section 1725 of title 38 to add new language to the so-called two-year rule authorizing enrollment of chapter 35 individuals in courses where a school has made a complete move to a new location outside the general locality of its former site.

This provision is identical with the one contained in section 302 of the proposal and the discussion and rationale set forth in the discussion of that section apply equally to this section.

It is estimated that enactment of this section would not result in any additional cost.

Section 310

This section would add a new section 1726 to subchapter III of chapter 35 to provide authority for eligible wives and widows to pursue secondary level training without charge to their basic entitlement. Similar authority has already been given educationally disadvantaged veterans by section 1691 of chapter 34. The authority granted here would be a logical extension of similar benefits to educationally disadvantaged wives and widows. These individuals, due to the death or disability of their veteran-husbands, are required to assume the responsibility for support of themselves and their families. By permitting them to pursue secondary level training they would be given an opportunity to obtain the necessary training required for entrance into higher education without losing their follow-on eligibility for college training.

In extending this authority, pursuit would be limited to training within a State. This has the effect of eliminating secondary training for Philippine wives and widows. It should be pointed out that the majority of those individuals who would be made eligible are already over the age of 50 and the purpose of the program would be of little benefit to them. Further, most of them have already taken advantage of the vocational training benefits previously provided to them under chapter 35 and thus they have been trained for a vocation designed to help them support themselves and their families.

It is estimated that enactment of this proposal would result in the following costs:

	Direc benefits cos (in millions)
Fiscal year:	
1st	$2.6
2d	2.9
3d	2.8
4th	2.2
5th	2.0
Total 5-year cost	12.5

This section would also add a new section 1727 to subchapter III of chapter 35 to provide authority for eligible wives and widows to pursue correspondence courses. This would provide these wives and widows with still another means of obtaining an education which would aid them in helping to support themselves and their families in the manner in which the veteran, but for his death or disability, would have provided for them. The extension of correspondence school training to wives and widows would be subject to these same safeguards proposed for veterans under section 303 of the bill. In essence, this means that the entitlement of a widow or wife would be charged one month for each $200 paid to her in the form of an educational assistance allowance, and the educational assistance allowance would be computed based upon 90 percent of the established charge which the institution requires other individuals pursuing the same program to pay.

It is estimated that enactment of this new authority would result in costs ranging from about $600,000 in the first year to approximately $1 million in the fifth year. There is no experience in the chapter 35 program to use as an indicator of any precise figures.

Section 311

Subsection (a) of this section amends clause (2) of subsection (b) of section 1731 of title 38 to exempt programs of apprentice or other on-job training pursued by wives, widows and children under the authority of the new section 1738 added to chapter 35 by section 314 of this bill from the absence counting provisions for courses not leading to college degrees. This would equate such measurement with that presently applicable to apprentice and on-job training programs pursued by veterans under chapter 34. (The estimated cost of the apprentice, on-job programs is set forth in section 306 of the analysis.)

Subsection (b) has two purposes. First, it repeals the present language of subsection (e) of section 1731 which is no longer applicable in view of the advance payment proposal set forth in section 203 of this bill. Second, it would establish a requirement, comparable to that now applicable to correspondence courses pursued by veterans under chapter 34, that correspondence course benefits may not be paid to those wives and widows made eligible to pursue such training by the new section 1727 added by section 310 of the bill until the Administrator has received a certification from the eligible person and the institution as to the number of lessons completed by the eligible person and serviced by the institution. The same requirement is imposed in conjunction with the correspondence program pursued by veterans under chapter 34.

Section 312

This section amends clause (2) of subsection (a) of section 1732 to permit lump sum educational assistance allowance payments to be made to eligible widows, wives and children who are pursing educational programs on less than a half-time basis. Payment would be made for an entire term, semester or quarter in the month following the month in which certification is received from the educational institution that the person is enrolled in and is pursing his program of education. This would equate the less than half-time payment system for chapter 35 with that already established for chapter 34. This would improve the administrative procedures for handling these payments.

It is estimated that enactment of this section would not result in any additional costs.

Section 313

This section amends subsection (a) of section 1733 to incorporate two revisions. The first inserts a new clause (3) which provides for the measurement of high school courses under chapter 35 so as to accommodate the authority granted by section 310 permitting eligible wives and widows to pursue secondary training. The second inserts a new clause (5) providing for the measurement of certain on-job and apprenticeship training programs which would be permitted under the authority of the new section 1738 added to chapter 35 by section 314 of this proposal.

Section 314

This section would amend subchapter IV of chapter 35 to insert a new section 1738 which contains the basic authority for the payment of a subsistence allowance to those wives, widows and children who would become eligible to pursue apprentice and other on-job training programs. The rationale for this program is set forth in the analysis of section 306.

Section 315

This section would amend section 1777 of chapter 36 of title 38 to incorporate references to wives, widows and children who would be permitted to pursue programs of apprentice and other on-job training. The rationale for this program is set forth in the analysis of section 306.

Section 316

This section is technical in nature and merely reflects in the table of sections at the beginning of chapter 34 of title 38 the necessary heading changes required to be made because of the proposals made in sections 204, 303, and 305.

Section 317

This section is technical in nature and merely reflects in the table of sections at the beginning of chapter 35 of title 38 the new sections added to such chapter by sections 310 and 314 of this bill.

Section 318

This section has been included in the bill to provide that for all VA purposes, a "wife" shall include the husband of a female veteran and the term "widow" shall include the widower of a female veteran. Under present law, in each case it must be shown that the husband or widower must be "incapable of self-maintenance and is permanently incapable of self-support due to mental or physical disability." This provision is identical with H.R. 10130, and the objective has the favorable recommendation of the Veterans Administration. The cost is estimated to be about $.5 million the first full year.

Section 319

This is solely a technical amendment containing revised language for the table of sections of chapter 1, title 38, United States Code.

Section 320

This section is designed to insure that names and addresses of veterans and their dependents and survivors in the possession of the Veterans Administration will be treated as confidential.

For many years, the law (38 USC 3301) has provided that all files, records, reports, and other papers and documents pertaining to any claim under any of the laws administered by the Veterans Administration shall be confidential and privileged, and no disclosure thereof shall be made except under certain specified conditions. The general policy of the Veterans Administration, consistent with the intent of this provision of law, has been to refuse to furnish addresses from its records to persons who desire such information for debt collection, canvassing, harassing, or propaganda purposes.

In light of recent court decisions, it is apparent that under the so-called Freedom of Information Act (5 USC 552) lists of names and addresses may no longer be regarded as confidential. The Veterans Administration has received some 30 requests for lists of veterans' names and addresses, including requests from various commercial organizations, direct mail advertising firms, and others.

The Committee has received considerable correspondence from veterans and veterans' groups protesting the release of their names and addresses pursuant to these court decisions and agrees with them that service to their country should not subject them to commercial solicitation and harassment. The amendment proposed by this section will insure that the names and addresses of those who are now serving, or have served, in the armed forces and their dependents will continue to be treated as confidential by the Veterans Administration.

Section 321

Chapter 36 of title 38, United States Code, contains provisions relating to the administration of the GI educational benefits. Among other things, it is provided that the courses of education offered by an educational institution must be approved by the State approving agency for the State where such educational institution is located. The statute authorizes the Administrator to enter into contracts or agreements with State and local agencies to reimburse them for proper and necessary administrative expenses involved in the approval procedure. The allowances provided for this purpose were authorized in 1968 and there has been no increase since then. Section 321 is designed to provide a 20 percent increase in the table of allowances now contained in Section 1774. The National Association of State Approving Agencies has urged this amendment, citing as justification the recognized increase in salary costs and other administrative expenses which have occurred in the period of almost four years since the allowances were provided. The Committee concurs as to the need for such an increase at this time. The estimated additional cost is approximately $110,000 the first year.

TITLE IV—EFFECTIVE DATES

Section 401

This section provides that the rate adjustments and advance pay provisions contained in titles I and II shall become effective on the first day of the second calendar month following the month in which enacted.

Section 402

This section provides that the provisions of section 303 relating to correspondence course training shall become effective upon the first enrollment of an eligible veteran which occurs on or after the first day of the second calendar month following the month in which enacted.

The Veterans Administration proposal, introduced as H.R. 11954, submitting recommendations for increases and improvements in the veterans' educational programs, follows:

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., November 27, 1971.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Enclosed is a draft bill to amend chapters 31, 34, and 35 of title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to eligible veterans and persons; to provide for advance educational assistance payments to certain veterans; to make improvements in the educational assistance program; and for other purposes.

The draft bill presents in one comprehensive form a measure which would provide desirable technical changes in the educational benefit program, including an advance pay proposal which has already been presented to the Congress, and rate increases in all educational benefit programs provided under the GI bill. These rate changes represent, for the most part, an increase of 8.6 percent which reflects the rise in consumer prices since the last veterans educational allowance rate adjustment became effective on February 1, 1970. Larger increases, approximating 48 percent, are provided in the on-job and apprentice programs since experience has shown that this is the area of greatest need and it is believed that such upward adjustment will materially aid in stimulating job opportunities for veterans.

A detailed section-by-section analysis of the provisions of the draft bill, including cost estimates for each section, is also enclosed.

We request that this bill be introduced and strongly recommend its favorable consideration.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this proposed legislation to the Congress.

Sincerely,

DONALD E. JOHNSON, *Administrator.*

A BILL To amend chapters 31, 34, and 35 of title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance and special training allowance paid to eligible veterans and persons; to provide for advance educational assistance payments to certain veterans; to make improvements in the educational assistance programs; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans' Education and Training Amendments of 1971".

TITLE I—VOCATIONAL REHABILITATION-EDUCATIONAL ASSISTANCE RATE ADJUSTMENTS

SEC. 101. Chapter 31 of title 38, United States Code, is amended as follows:

(a) by amending section 1504(b) to read as follows:

"(b) The subsistence allowance of a veteran-trainee is to be determined in accordance with the following table, and shall be the monthly amount shown in column II, III, or IV (whichever is applicable as determined by the veterans' dependency status) opposite the appropriate type of training as specified in in column I:

"Column I Type of training	Column II No dependents	Column III One dependent	Column IV Two or more dependents
Institutional:			
Full-time	$146	$196	$227
Three-quarter-time	106	144	169
Half-time	73	99	110
Institutional on-farm, apprentice, or other on-job training: Full-time	128	166	196

Where any full-time trainee has more than two dependents and is not eligible to receive additional compensation as provided by section 315 or section 335 (whichever is applicable) of this title, the subsistence allowance prescribed in column IV of the foregoing table shall be increased by an additional $7 per month for each dependent in excess of two."; and

(b) by deleting in section 1507 "$100" and inserting in lieu thereof "$200".

SEC. 102. Chapter 34 of title 38, United States Code, is amended as follows:

(a) by deleting in the last sentence of section 1677(b) "$175" and inserting in lieu thereof "$190";

(b) the table contained in paragraph (1) of section 1682(a) is amended to read as follows:

"Column I Type of program	Column II No dependents	Column III One dependent	Column IV Two dependents	Column V More than two dependents
				The amount in column IV plus the following for each dependent in excess of two:
Institutional:				
Full-time	$190	$220	$250	$15
Three-quarter-time	139	162	185	11
Half-time	88	103	118	8
Cooperative	153	180	207	11.";

(c) by deleting in section 1682(b) "$175" and inserting in lieu thereof "$190";

(d) the table contained in section 1682(d)(2) is amended to read as follows:

"Column I Basis	Column II No dependents	Column III One dependent	Column IV Two dependents	Column V More than two dependents
				The amount in column IV plus the following for each dependent in excess of two:
Full-time	$153	$180	$207	$11
Three-quarter-time	109	129	149	8
Half-time	73	86	100	5.";

(e) the table contained in section 1683(b) is amended to read as follows:

"Periods of training	No dependents	One dependent	Two or more dependents
First 6 months	$160	$178	$197
Second 6 months	120	136	156
Third 6 months	80	98	117
Fourth and any succeeding 6-month periods	40	58	77."

and

(f) by deleting in section 1696(b) "$175" and inserting in lieu thereof "$190".

Sec. 103. Chapter 35 of title 38, United States Code, is amended as follows:

(a) by amending section 1732 (a)(1) to read as follows:

"(a)(1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate of (A) $190 per month if pursued on a full-time basis, (B) $139 per month if pursued on a three-quarter-time basis, and (C) $88 per month if pursued on a half-time basis.";

(b) by deleting in section 1732(a)(2) "$175" and inserting in lieu thereof "$190";

(c) by deleting in section 1732(b) "$141" and inserting in lieu thereof "$153"; and

(d) by amending section 1742 (a) to read as follows:

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on his behalf a special training allowance computed at the basic rate of $190 per month. If the charges for tuition and fees applicable to any such course are more than $60 per calendar month the basic monthly allowance may be increased by the amount that such charges exceed $60 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each $6.80 that the special training allowance paid exceeds the basic monthly allowance."

TITLE II—ADVANCE VOCATIONAL REHABILITATION SUBSISTENCE AND EDUCATIONAL ASSISTANCE ALLOWANCE PAYMENTS

Sec. 201. Subsection (a) of section 1504 of title 38, United States Code, is amended by adding at the end thereof the following: "The Administrator shall pay the initial subsistence allowance of a course of vocational rehabilitation training to an eligible veteran in an amount not to exceed the subsistence allowance for the month or fraction thereof in which pursuit of the course will commence, plus the subsistence allowance for one full month, upon receipt of proof that the veteran has been enrolled in an approved educational institution on a half-time or more basis. Such payment shall not be made earlier than the first day of the month in which pursuit of the course is to commence. Subsequent payments of subsistence allowance shall be made each month in advance, subject to such reports and proof of satisfactory pursuit of such program as the Administrator may require. The Administrator may withhold the final payment of subsistence allowance payable to such veteran until such proof is received and the amount appropriately adjusted. If the eligible veteran fails to pursue the course after receiving the initial payment of the subsistence allowance, the amount of such payment may be recovered from any benefit otherwise due the veteran under any law administered by the Veterans' Administration or such overpayment shall constitute a liability of such eligible veteran and may be recovered in the same manner as any other debt due the United States."

Sec. 202. Subsections (d) and (e) of section 1681 of title 38, United States Code, are amended to read as follows:

"(d) The Administrator shall, except as provided in subsection (e) of this section, pay the initial educational assistance allowance of an enrollment period to an eligible veteran in an amount not to exceed the educational assistance allowance for the month or fraction thereof in which pursuit of the program will commence, plus the educational assistance allowance for one full month, upon receipt of proof that the eligible veteran has been enrolled in an approved educational institution on a half-time or more basis. Such payment shall not be made earlier than the first day of the month in which pursuit of the program is to commence. Subsequent payments of educational assistance allowance shall be made each month in advance, subject to such reports and proof of satisfactory pursuit of such program as the Administrator may require. The Administrator may withhold the final payment of an enrollment period until such proof is received and the amount appropriately adjusted. If the eligible veteran fails to pursue the course after receiving the initial payment of the educational assistance allowance, the amount of such advance payment may be recovered from any benefit otherwise due the veteran under any law administered by the Veterans' Administration or such overpayment shall constitute a liability of such eligible veteran and may be recovered in the same manner as any other debt due the United States.

"(e) No educational assistance allowance shall be paid to an eligible veteran enrolled in a program of education consisting exclusively of flight training or exclusively by correspondence for any period until the Administrator shall have received—

"(1) from the eligible veteran a certification as to his actual attendance during such period or, where the program is pursued by correspondence, a certificate as to the number of lessons actually completed by the veteran and serviced by the institution, and

"(2) from the educational institution, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education during such period and, in the case of an institution furnishing education to a veteran exclusively by correspondence, a certificate, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution."

SEC. 203. Subsection (d) of section 1731 of title 38, United States Code, is amended to read as follows:

"(d) The Administrator shall pay the initial educational assistance allowance of an enrollment period on behalf of an eligible person in an amount not to exceed the educational assistance allowance for the month or fraction thereof in which pursuit of the program will commence, plus the educational assistance allowance for one full month, upon receipt of proof that the eligible person has been enrolled in an approved educational institution on a half-time or more basis. Such payment shall not be made earlier than the first day of the month in which pursuit of the program is to commence. Subsequent payments of educational assistance allowance shall be made each month in advance, subject to such reports and proof of satisfactory pursuit of such program as the Administrator may require. The Administrator may withhold the final payment of an enrollment period until such proof is received and the amount appropriately adjusted. If the eligible person fails to pursue the course after receiving the initial payment of the educational assistance allowance, the amount of such advance payment may be recovered from any benefit otherwise due the eligible person under any law administered by the Veterans' Administration or such overpayment shall constitute a liability of such eligible person and may be recovered in the same manner as any other debt due the United States."

SEC. 204. Subchapter IV of chapter 34 of title 38, United States Code, is amended by inserting immediately after section 1687 the following new section:

"§1688. Veteran-student employment

"(a) Notwithstanding any other provision of law, the Administrator is authorized to utilize on an intermittent basis the services of veteran-students who are pursuing full-time programs of education or training under chapters 31 and 34 of this title. Such veteran-students may be utilized to perform such services for the Veterans Administration at such times and places as the Administrator deems advisable.

"(b) Veteran-students utilized under the authority of subsection (a) of this section shall be paid an hourly rate equivalent to the minimum rate for a grade in the General Schedule contained in section 5332 of title 5, determined by the Administrator to be appropriate for the services rendered. Such grade determination may, at the Administrator's discretion, be based upon, but shall not be subject to, position classification standards issued by the Civil Service Commission pursuant to section 5105 of title 5.

"(c) While performing the services authorized by subsection (a) of this section, such veteran-students shall not be deemed to be employees of the United States for the purposes of laws administered by the Civil Service Commission. They shall, however, be considered to be employees of the United States for the purposes of the benefits of chapter 81 of title 5."

TITLE III—EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

Sec. 301. Section 1671 of title 38, United States Code, is amended to read as follows:

"Any eligible veteran, or individual on active duty, who desires to initiate a program of education under this chapter shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The application of an individual on active duty must be approved by a service education officer prior to its submission. The Administrator shall approve such application unless he finds that such veteran or individual is not eligible for or entitled to the educational assistance applied for, or that his program of education fails to meet any of the requirements of this chapter, or that he is already qualified. The Administrator shall notify the eligible veteran or individual of the approval or disapproval of his application."

Sec. 302. Clause (3) of subsection (b) of section 1675 of title 38, United States Code, is amended by inserting after the words "general locality" the following: "or where the school has made a complete move with substantially the same faculty, curricula, and students, without a change in ownership."

Sec. 303. Subchapter III of chapter 34 of title 38, United States Code, is amended by inserting immediately after section 1677 the following new section:

"§ 1678. Correspondence courses

"(a)(1) Each eligible veteran who is pursuing a program of education exclusively by correspondence shall be paid an educational assistance allowance computed at the rate of 90 per centum of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran. The term 'established charge' as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to the veteran, whichever is the lesser. Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the veteran and serviced by the institution.

"(2) The period of entitlement of any veteran who is pursuing any program of education exclusively by correspondence shall be charged with one month for each $190 which is paid to the veteran as an educational assistance allowance for such course.

"(b) In any case where an eligible veteran terminates his correspondence training before completing the required number of lessons, the institution shall make a pro rata refund of monies paid by such veteran and, in addition, such institution shall not charge the veteran with any registration or similar fee in excess of $50.00."

Sec. 304. Section 1682 of title 38, United States Code, is amended by—

(a) repealing subsection (c) thereof in its entirety; and

(b) redesignating subsection (d), as amended by section 102(d) of title I of this Act, as subsection (c).

Sec. 305. Section 1684 of title 38, United States Code, is amended by adding at the end of subsection (a) the following new sentence: "Notwithstanding the provisions of clause (2) of this subsection, in the case of an institution offering undergraduate courses leading to a standard college degree which are measured on a quarter or semester-hour basis and technical courses which are measured on a clock-hour basis, any of such courses as determined by the educational institution shall be measured on a semester-hour basis for the purpose of computing the educational assistance allowance payable under this chapter."

Sec. 306. (a) The heading for Subchapter VI of chapter 34 of title 38, United States Code, is amended by striking out "Predischarge" and inserting in lieu thereof "Preparatory".

(b) Subsection (a) of section 1695 of title 38, United States Code, is amended to read as follows:

"(a) The purpose of this subchapter is to encourage and assist veterans in preparing for their future education, training, or vocation by providing them with an opportunity to enroll in and pursue a program of education or training prior to their discharge or release from active duty with the Armed Forces. The program provided for under this subchapter shall be known as the Preparatory Education Program (PREP)."

Sec. 307. Subsection (a) of section 1701 of title 38, United States Code, is amended as follows:

(1) by amending paragraph (6) to read as follows:

"(6) The term 'educational institution' means any public or private secondary school, vocational school, correspondence school, business school, junior college, teachers' college, college, normal school, professional school, university, or scientific or technical institution, or any other institution if it furnishes education at the secondary school level or above."; and

(2) by adding at the end thereof the following new paragraph:

"(9) For the purposes of this chapter and chapter 36 of this title, the term 'training establishment' means any establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprenticeship committee, or the Bureau of Apprenticeship and Training established pursuant to chapter 4C of title 29, or any agency of the Federal Government authorized to supervise such training."

Sec. 308. Section 1720 of title 38, United States Code, is amended by inserting after the first sentence in subsection (a) thereof a new sentence as follows: "Such counseling shall not be required where the eligible person has been accepted for, or is pursuing, courses which lead to a standard college degree, at an approved institution."

Sec. 309. The first sentence of subsection (c) of section 1723 of title 38, United States Code, is amended to read as follows:

"The Administrator shall not approve the enrollment of an eligible person in any course of institutional on-farm training, any course to be pursued by correspondence (except as provided in section 1727 of this chapter), open circuit television (except as herein provided), or a radio, or any course to be pursued at an educational institution not located in a State or in the Republic of the Philippines."

Sec. 310. Clause (3) of subsection (b) of section 1725 of title 38, United States Code, is amended by inserting after the words "general locality" the following: "or where the school has made a complete move with substantially the same faculty, curricula, and students, without a change in ownership."

Sec. 311. Subchapter III of chapter 35 of title 38, United States Code, is amended by inserting immediately after section 1725 the following new sections:

"§ 1726. Special training for the educationally disadvantaged

"(a) In the case of any eligible widow or wife who—

"(1) has not received a secondary school diploma (or equivalency certificate), and

"(2) in order to pursue a program of education for which she would otherwise be eligible, needs additional secondary school training, either refresher courses or deficiency courses, to qualify for admission to an appropriate educational institution, the Administrator may, without regard to the provisions of section 1723(d), approve the enrollment of such widows or wives in an appropriate course or courses to be pursued in a State.

"(b) The Administrator shall pay eligible widows or wives pursuing a course or courses pursuant to subsection (a) of this section an educational assistance allowance as provided in sections 1731 and 1732 of this chapter; except that no enrollment in adult evening secondary school courses shall be approved in excess of half-time training as defined in section 1733 of this title.

"(c) The educational assistance allowance authorized by this section shall be paid without charge to any period of entitlement the widow or wife may have pursuant to sections 1710 and 1711 of this chapter."

"§ 1727. Correspondence courses

"(a)(1) Each eligible wife or widow (as defined in section 1701(a)(1)(B), (C) or (D) of this chapter) who is pursuing a program of education exclusively by correspondence shall be paid an educational assistance allowance computed at the rate of 90 per centum of the established charge which the institution requires other individuals enrolled in the same program to pay. The term 'established charge' as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to such eligible person, whichever is the lesser. Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the eligible person and serviced by the institution.

"(2) The period of entitlement of any eligible person who is pursuing any program of education exclusively by correspondence shall be charged with one month for each $190 which is paid to the eligible person as an educational assistance allowance for such course.

"(b) In any case where an eligible person terminates his correspondence training before completing the required number of lessons, the institution shall make a pro rata refund of monies paid by such eligible person and, in addition, such institution shall not charge the eligible person with any registration or similar fee in excess of $50.00."

SEC. 312. Section 1731 of title 38, United States Code, is amended by—

(a) inserting in clause (2) of subsection (b) immediately after the words "standard college degree" the following: "(excluding programs of apprenticeship and programs of other on-job training authorized by section 1738 of this title)"; and

(b) amending subsection (e) to read as follows:

"(e) No educational assistance allowance shall be paid to an eligible person enrolled in a program of education consisting exclusively of correspondence courses for any period until the Administrator shall have received (1) from the eligible person a certificate as to the number of lessons actually completed by the eligible person and serviced by the institution, and

(2) from the educational institution, a certification, or an endorsement on the eligible person's certificate, as to the number of lessons completed by the eligible person and serviced by the institution."

SEC. 313. Clause (2) of subsection (a) of section 1732 of title 38, United States Code, is amended by adding at the end thereof the following: "Notwithstanding provisions of section 1731 of this title, payment of the educational assistance allowance provided by this clause may be made to an eligible person in an amount computed for the entire quarter, semester, or term during the month immediately following the month in which certification is received from the educational institution that the person has enrolled in and is pursuing a program at such institution."

SEC. 314. Subsection (a) of section 1733 of title 38, United States Code, is amended to read as follows:

"(a) For the purposes of this chapter—

"(1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with no more than two and one-half hours of rest periods per week allowed;

"(2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction (which may include customary intervals not to exceed ten minutes between hours of instruction) is required;

"(3) an academic high school course requiring sixteen units for a full course shall be considered a full-time course when a minimum of four units per year is required. For the purpose of this clause, a unit is defined to be not less than one hundred and twenty sixty-minute hours or their equivalent of study in any subject in one academic year;

"(4) an institutional undergraduate course offered by a college or university on a quarter- or semester-hour basis shall be considered a full-time course when a minimum of fourteen semester hours or the equivalent thereof, for which credit is granted toward a standard college degree (including those for which no credit is granted but which are required to be taken to correct an educational deficiency), is required, except that where such college or university certifies, upon the request of the Administrator, that (A) full-time tuition is charged to all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, or (B) all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, are considered to be pursuing a full-time course for other administrative purposes, then such an institutional undergraduate course offered by such college or university with such minimum number of such semester hours shall be considered a full-time course, but in the event such minimum number of semester hours is less than twelve semester hours or the equivalent thereof, then twelve semester hours or the equivalent thereof shall be considered a full-time course; and

"(5) a program of apprenticeship or a program of other on-job training shall be considered a full-time program when the eligible person is required to work the number of hours constituting the standard workweek of the training establishment, but a workweek of less than thirty hours shall not be considered to constitute full-time training unless a lesser number of hours has been established as the standard workweek for the particular establishment through bona fide collective bargaining. Notwithstanding the provisions of clause (2) of this subsection, in the case of an institution offering undergraduate courses leading to a standard college degree which are measured on a quarter- or semester-hour basis and technical courses which are measured on a clock-hour basis, any such courses as determined by the educational institution shall be measured on a semester-hour basis for the purpose of computing the educational assistance allowance payable under this chapter."

Sec. 315. Subchapter IV of chapter 35 of title 38, United States Code, is amended by inserting immediately after section 1737 the following new section:

"§ 1738. Apprenticeship or other on-job training

"(a) An eligible person (as defined in section 1701(a) of this chapter) may receive the benefits of this chapter while pursuing, in a State, a full-time—

"(1) program of apprenticeship approved by a State approving agency as meeting the standards of apprenticeship published by the Secretary of Labor pursuant to section 50a of title 29, or

"(2) program of other training on the job approved under the provisions of section 1777 of this title,

subject to the conditions and limitations of this chapter with respect to educational assistance.

"(b)(1) The monthly training assistance allowance of such eligible person pursuing a program described under subsection (a) shall be (A) $160 during the first six-month period, (B) $120 during the second six-month period, (C) $80 during the third six-month period, and (D) $40 during the fourth and any succeeding six-month period.

"(2) In any month in which an eligible person pursuing a program of apprenticeship or a program of other on-job training fails to complete one hundred and twenty hours of training in such month, the monthly training assistance allowance set forth in subsection (b)(1) of this section shall be reduced proportionately in the proportion that the number of hours worked bears to one hundred and twenty hours rounded off to the nearest eight hours.

"(c) For purposes of this chapter and chapter 36 of this title, the terms 'program of apprenticeship' and 'program of other on-job training' shall have the same meaning as 'program of education'; and the term 'training assistance allowance' shall have the same meaning as 'educational assistance allowance'."

Sec. 316. Section 1777 of title 38, United States Code, is amended—

(a) by amending clauses (1) and (2) of subsection (b) to read as follows:

"(1) the wages to be paid the eligible veteran or eligible person (A) upon entrance into training, are not less than the wages paid other nonveterans in the same training position and are at least 50 percentum of the wages paid for the job for which he is to be trained, and (B) such wages will be increased in regular periodic increments until, not later than the last full month of the training period, they will be at least 85 percentum of the wages paid for the job for which such eligible veteran or eligible person is being trained; and

"(2) there is reasonable certainty that the job for which the eligible veteran or eligible person is to be trained will be available to him at the end of the training period."; and

(b) by inserting "or eligible person" immediately after "eligible veteran" each place it appears in subsection (c).

Sec. 317. The table of sections at the beginning of chapter 34 of title 38, United States Code, is amended by:

(a) inserting immediately after

"1677. Flight training."

the following:

"1678. Correspondence courses.";

(b) inserting immediately after

"1687. Discontinuance of allowances."

the following:

"1688. Veteran-student employment."; and

(c) striking out

"Subchapter VI—Predischarge Education Program" and inserting in lieu thereof:

"Subchapter VI—Preparatory Education Program".

SEC. 318. The table of sections at the beginning of chapter 35 of title 38, United States Code, is amended by:

(a) inserting immediately after

"1725. Period of operation for approval."

the following:

"1726. Special training for the educationally disadvantaged.
"1727. Correspondence courses.", and

(b) inserting immediately after

"1737. Specialized vocational training courses."

the following:

"1738. Apprenticeship or other on-job training.".

TITLE IV—EFFECTIVE DATES

SEC. 401. Titles I and II of this Act shall become effective on the first day of the second calendar month following the month in which enacted.

SEC. 402. Section 303 of this Act shall become effective upon the first enrollment of an eligible veteran which occurs on or after the first day of the second calendar month following the month in which enacted.

SEC. 403. Section 305 and the last sentence of section 314 of this Act shall become effective upon the first enrollment or subsequent re-enrollment of an eligible veteran or person which occurs after the effective date of the enactment of this Act.

SECTION-BY-SECTION ANALYSIS AND COST ESTIMATE OF DRAFT BILL

TITLE I—VOCATIONAL REHABILITATION-EDUCATIONAL ASSISTANCE RATE ADJUSTMENTS

This title provides rate increases in all areas of educational benefits under chapters 31, 34 and 35 of title 38. With the exception of on-job and apprentice benefits, the rate changes, for the most part, approximate 8.6 percent. This percentage represents the increase in the cost of living which has occurred since the last general rate increase became effective on February 1, 1970. The rate increases provided for on-job and apprentice trainees approximate 48 percent. Experience has shown that these are the areas where the greatest need occurs and the larger increases will provide incentives to stimulate job opportunities for veterans.

Section 101

Subsection (a) of this section amends section 1504(b) to provide increases in the monthly subsistence allowance rates for veteran-trainees who are pursuing vocational rehabilitation training courses. The rate for a single veteran without dependents who is pursuing full-time institutional training would be increased from $135 per month to $146 per month. Comparable increases are provided for those trainees pursuing part-time training and for those pursuing institutional on-farm, apprentice, or other on-job training full time.

Subsection (b) amends section 1507 to increase the amount of the loan which may be made to trainees from $100 to $200.

Section 102

Subsection (a) of this section amends section 1677(b) to increase the monthly entitlement charge for flight training courses from $175 to $190 per month.

Subsection (b) amends the table contained in paragraph (1) of section 1682(a) to increase the monthly educational assistance rates for veterans pursuing full-time, three-quarter-time and half-time institutional educational courses. The rates for cooperative training would also be increased. The single veteran without dependents who is pursuing a full-time institutional course would, for example, be increased from the current $175 monthly rate to $190 per month.

Subsection (c) amends section 1682(b) to increase the rates for educational pursuits by servicemen on active duty and for those pursuing less than half-time courses to $190 per month.

Subsection (d) amends section 1682(d)(2) to increase the rates for pursuit of agricultural cooperative programs. The single veteran without dependents pursuing a full-time course would, for example, be increased from $141 per month to $153 per month.

Subsection (e) amends section 1683(b) to increase the monthly training assistance rates for veterans pursuing apprentice and on-job training programs.

Subsection (f) amends section 1696(b) to increase the educational assistance allowance maximum for persons pursuing PREP courses from $175 to $190 per month.

Section 103

Subsection (a) of this section amends section 1732(a)(1) to increase the rate of educational assistance allowance payable to children, widows and wives pursuing educational programs under chapter 35. The rate increases apply to full-time, three-quarter-time and half-time training. The full-time rate, for example, would be increased from $175 to $190 per month.

Subsection (b) amends section 1732(a)(2) to increase the monthly educational assistance rate payable in the case of eligible persons pursuing programs of education on a less than half-time basis.

Subsection (c) amends section 1732(b) to increase the monthly educational assistance rate payable in the case of eligible persons pursuing cooperative education courses which consist of institutional courses and alternate phases of training in a business or industrial establishment.

Subsection (d) amends section 1742(a) to increase the special restorative training assistance allowance to those children who are in need of special restorative training.

It is estimted that cost of title I of the proposal would approximate $175 million for the first full year.

No change is made in title I of the bill to increase the benefit rate for correspondence course training. Section 303 of title III of the draft bill adds a new section 1678 to replace section 1682(c) of title 38 which currently authorizes such training. The current provisions are repealed by section 304. In enacting the new section, the benefit rate for such training is raised from $175 to $190 per month, a figure which is identical with the higher rate provided for flight training.

TITLE II—ADVANCE VOCATIONAL REHABILITATION SUBSISTENCE AND EDUCATIONAL ASSISTANCE ALLOWANCE PAYMENT

Section 201

This section would amend section 1504(a) to authorize the Administrator to make an initial advance payment of the subsistence allowance granted under chapter 31 to veterans enrolled in a vocational rehabilitation training program on a half-time or more basis, plus the allowance for one full month, upon receipt of proof that the eligible veteran has been enrolled in an approved educational institution. Such payment would be made not earlier than the first of the month in which pursuit of the program is to commence. Thereafter, payments would continue to be made in advance at the beginning of each month in which the veteran pursues his program of training. Administrative control over the propriety of such payment is provided for by authorizing the Administrator to withhold final payment to such veteran until proof of satisfactory pursuit of the program is furnished.

Section 202

This section would amend subsections (d) and (e) of section 1681 to authorize the Administrator to make an initial advance payment of the educational assistance allowance granted under chapter 34 to veterans enrolled in an educational institution on a half-time or more basis on the same premise as provided under section 201 of this title for vocational rehabilitation trainees. Certification requirements for the pursuit of flight training and correspondence courses pursued under chapter 34 would be retained.

Section 203

This section would amend subsection (d) of section 1731 to extend the advance pay principle to eligible wives, widows, and children who are pursuing educational programs on a half-time or more basis under chapter 35.

Section 204

This section would add a new section 1688 to chapter 34 setting forth new language which would give the Administrator authority to employ, as intermittent employees, veteran-students enrolled in full-time programs of education or training under chapters 31 and 34. This would diversify current Veterans Administration's authority to hire these veteran-students and utilize their services at such times and places as the Administrator deems advisable. This new section would also authorize the Administrator to pay the going rate for the job classification for the work which would be performed.

No cost would be incurred if title II were to be enacted, but additional outlays would be required in the first fiscal year of approximately $89 million because of advances made in that year which would normally not be paid until the following fiscal year. This amount would, however, be recouped from subsequent payments made to these veterans or eligible persons.

The proposal incorporated in section 202 of this title is virtually identical with a proposal transmitted to the Congress on January 26, 1971. This advance pay principle has been expanded to include veterans training under chapter 31 and wives, widows and children training under chapter 35.

TITLE III—EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

Section 301

This section amends section 1671 of title 38, United States Code, to require a serviceman's application for GI Bill education benefits be approved by a service education officer before it may be considered by the Administrator.

By requiring such approval, an opportunity would be available to discuss with the serviceman the various courses of training which he might pursue. This would acquaint him with the educational opportunities not only from commercial correspondence programs but from all sources. The service education officer could determine whether the program of education selected by the serviceman is suitable for his aptitudes and could be satisfactorily completed within the limits of his present environment.

It is estimated that this section would not result in any additional cost.

Section 302

This section would amend clause (3) of subsection (b) of section 1675 to add new language to the so-called two-year rule authorizing enrollment of veterans in courses where the school has made a complete move to a new location outside the general locality of its former site, where it is determined that the school has substantially retained the same faculty, curricula and students, without a change in ownership.

Under current law the Administrator may not approve the enrollment of veterans in any course offered by an educational institution where such course has been in operation for less than two years. Clause (3) of subsection (b) of section 1675 presently states that where a course has been offered for more than two years, veterans may be enrolled in such a course even though the school has moved to another location within the same general locality. By regulation (VAR 14251 (D)), the term "same general locality" has been defined to mean a move to a new location within normal commuting distance of the original location. This regulation also states that in such a case the faculty, student body and curricula must remain essentially the same.

Established schools may find it necessary to relocate as additional facilities are required to meet demands caused by increases in the number of students such as the need for library space and the need for additional classrooms. The application of VAR 14251(D) with reference to a move within the "same general locality" may have different application where the school is in a city rather than a rural area.

Under the proposed change, the determination would be made based upon the individual facts as found in each case. Primary importance would be placed on such factors as (1) retention of faculty, (2) no change in ownership, (3) substantially the same student body, and (4) the same curriculum.

It is estimated that enactment of this section would not result in any additional cost.

Section 303

This section would add a new section 1678 to chapter 34 of title 38, United States Code, to bring into one section the applicable law pertaining to correspondence courses.

Subsection (a)(1) of the new section provides for computation of the educational assistance allowance based upon 90 percent of the established charge which the institution requires nonveterans to pay for pursuit of the same course or courses.

Current law (section 1682(c)(1)) provides for computation based on the full cost of the program. This is the only program which will return to the veteran the full cost of his tuition. It also is training which permits the trainee to train at any pace he chooses, thereby allowing him to pursue vocation or avocation as he wills. In all other training programs authorized under chapter 34, the veteran has a stake in his own training by meeting himself a part of the cost of his own education. By requiring the eligible veteran to pay a minimal 10 percent of the cost of the course, he will have such a stake and will give greater thought to his choice of a training objective and the means of achieving his goal.

This change would have the effect of placing the correspondence training program on a par with flight training in that the veteran, under both programs, would be required to pay a minimal amount towards his own education. This subsection also increases the benefit payable under the correspondence training program by providing that a veteran's entitlement would be charged with one month for each $190 paid to him as an educational assistance allowance instead of the current $175 figure. This is the same benefit which is provided a veteran under title I of the bill who is pursuing a flight training program.

The remainder of this new subsection merely represents a duplication of language which is contained in current law.

Subsection (b) of the new section would require institutions offering correspondence courses to have a pro-rata refund policy premised upon the number of lessons serviced and would allow a maximum registration or similar fee of $50.

Courses offered by educational institutions are approved for the training of veterans who will receive educational assistance under two standards. Those courses which have been accredited require less supervision and control by state authorities than those which are nonaccredited. This proposal would make one uniform standard for all correspondence schools, a change we believe will be equitable and will provide protection for veterans in those areas where it has been alleged that abuses have occurred.

It is estimated that enactment of this provision would result in direct benefit savings as follows:

Direct benefit savings

Year:	*Millions*
1st	$7
2nd	8
3rd	8
4th	6
5th	6
Total 5-year savings	35

Section 304

This section is technical in nature and merely reflects the shift of certain provisions concerning correspondence courses currently contained in section 1682 of title 38 to the new section 1678 proposed to be set up by section 303.

Section 305

This section would amend section 1684 of title 38 to provide for the measurement of trade or technical courses, given at an institution offering courses leading to a standard college degree, on a semester hour basis for the purpose of payment of the educational assistance allowance.

Current law (section 1684(a)(2)) provides for the measurement of the trade or technical courses on a clock-hour basis with a minimum of 25 hours weekly to qualify for full-time attendance

Junior colleges and community colleges are offering both professional courses as part of a degree program and technical courses which generally may lead to certification for a trade or a technical license. The college courses are measured on a credit hour or semester hour basis. (Under a conversion formula equivalent semester hours are determined where a course is offered on a quarterly, trimester, or other time basis.) The technical courses are measured on a clock hour basis. They are both given in the same school, and meet the same high educational standards established by the accrediting association for the area. There has been vocal dissatisfaction raised in these schools by veterans where they attend courses at the same school but are paid under different criteria. The standards established for these courses at these college-level institutions generally insures quality training is being offered equivalent to the college level courses which are measured on a credit-hour basis. The change in language recommended would permit the school to have the technical courses which meet their high standards for college-level work measured on a semester-hour basis.

It is estimated that there would be no significant additional cost should this section be enacted.

Section 306

This section would amend the PREP program authorized by subchapter VI of chapter 34 of title 38.

Subsection (a) of this section amends the subchapter heading to change the name of the program from Predischarge Education Program to Preparatory Education Program.

Although eligibility for PREP assistance begins early in military service (after completion of 181 days of active service), many servicemen consider the program to be one designed for an individual who is about to leave military service. The present name of the program—Predischarge Education Program—accounts for a good deal of this confusion. Therefore, to help alleviate this misunderstanding the name would be changed to Preparatory Education Program.

Subsection (b) changes the purpose section (section 1695(a)) of the program to incorporate the change in the name of the program from Predischarge to Preparatory Education Program.

Section 307

This section amends subsection (a) of section 1701 of title 38 to make two changes. The first revision amends paragraph (6) to include correspondence schools within the definition of "educational institution." This change is made necessary by the addition, in section 311 of the draft proposal, of a new section 1727 to chapter 35 permitting wives and widows to pursue correspondence courses. The rationale and cost estimate for this new section are set forth in the discussion of section 311 of this analysis.

The second change adds a new paragraph (9) adding the term "training establishment" to the definitions currently applicable to chapter 35.

Under current law, wives, widows and children are entitled to other educational benefits, but they are not eligible to pursue apprentice or other on-job training programs. The change made in this section (as well as those changes made in chapter 35 by sections 309, 312(a), 314, 315, and 316 of this bill) extend such training opportunities to them.

A college education may not be suitable for everyone. Offering these individuals the opportunity to pursue on-job and apprenticeship training programs would afford those desiring post high school training another way of entering an occupation. Such programs would also offer forms of training in which these individuals would be able to receive high financial reward upon completion.

It is estimated that enactment of this program, which is limited by the proposed new section 1738(a) to pursuit of training in a State, would result in the following costs:

	Number of individuals	Direct benefits cost (in millions)
Fiscal year:		
1st[1]	2,500	$1.4
2d	4,500	4.8
3d	6,000	5.4
4th	6,100	5.0
5th	6,100	4.7
5 year total		21.3

[1] In making this estimate, we have assumed an effective date of the 3d quarter of fiscal year 1972.

Section 308

This section would amend section 1720 of title 38 to eliminate mandatory counseling for certain children training under the provisions of chapter 35.

Current law (section 1720) provides that the Administrator shall arrange for counseling for all children entering training under chapter 35 to assist the parent or guardian and the child in selecting an educational or vocational objective.

Under the chapter 35 program, the Government acts as a substitute parent standing in the place of the deceased or disabled parent in providing financial assistance to enable the child to pursue his education. The responsibility imposed by law calls for the furnishing of this counseling assistance in helping the child in making a reasonable choice of an objective.

There are, however, many cases where a child is already enrolled at or is attending a college and it can be assumed that in those cases a reasonable choice has been made and a suitable objective chosen. Mandatory counseling is an obvious duplication in such cases. While the mandatory requirement would be removed, any further counseling or guidance the child might need would still be available through the school or the Veterans Administration, if requested.

It is estimated that enactment of this section would result in savings in the program of approximately $1 million per year over the next five years.

Section 309

This section amends section 1723 of title 38 to eliminate the bar on pursuit of apprentice and other on-job training programs by chapter 35 beneficiaries. The rationale for this change is elaborated on in the analysis of section 307. This section also exempts widows and wives from the bar on pursuit of correspondence course training. The rationale for this change is elaborated on in the analysis of section 311.

Section 310

This section would amend clause (3) of subsection (b) of section 1725 of title 38 to add new language to the so-called two-year rule authorizing enrollment of chapter 35 individuals in courses where a school has made a complete move to a new location outside the general locality of its former site.

This provision is identical with the one contained in section 302 of the proposal and the discussion and rationale set forth in the discussion of that section apply equally to this section.

It is estimated that enactment of this section would not result in any additional cost.

Section 311

This section would add a new section 1726 to subchapter III of chapter 35 to provide authority for eligible wives and widows to pursue secondary level training without charge to their basic entitlement. Similar authority has already been given educationally disadvantaged veterans by section 1691 of chapter 34. The authority granted here would be a logical extension of similar benefits to educationally disadvantaged wives and widows. These individuals, due to the death or disability of their veteran-husbands, are required to assume the responsibility for support of themselves and their families. By permitting them to pursue secondary level training they would be given an opportunity to obtain the necessary training required for entrance into higher education without losing their follow-on eligibility for college training.

In extending this authority, pursuit would be limited to training within a State. This has the effect of eliminating secondary training for Philippine wives and widows. It should be pointed out that the majority of those individuals who would be made eligible are already over the age of 50 and the purpose of the program would be of little benefit to them. Further, most of them have already taken advantage of the vocational training benefits previously provided to them under chapter 35 and thus they have been trained for a vocation designed to help them support themselves and their families.

It is estimated that enactment of this proposal would result in the following costs:

	Number of individuals	Direct benefits cost
Fiscal year:		
1st	700	$784,000
2d	2,000	2,240,000
3d	2,300	2,576,000
4th	2,200	2,464,000
5th	1,700	1,904,000
Total 5 year cost		9,968,000

This section would also add a new section 1727 to subchapter III of chapter 35 to provide authority for eligible wives and widows to pursue correspondence courses. This would provide these wives and widows with still another means of obtaining an education which would aid them in helping to support themselves and their families in the manner in which the veteran, but for his death or disability, would have provided for them. The extension of correspondence school training to wives and widows would be subject to these same safeguards proposed for veterans under section 303 of the draft bill. In essence, this means that the entitlement of a widow or wife would be charged one month for each $190 paid to her in the form of an educational assistance allowance; the educational assistance allowance would be computed based upon 90 percent of the established charge which the institution requires other individuals pursuing the same program to pay; and would require institutions offering correspondence courses to have a pro rata refund policy premised upon the number of lessons serviced and would allow a maximum registration or similar fee of $50.

It is estimated that enactment of this new authority would result in costs ranging from under $500,000 in the first year to approximately $1 million in the fifth year. There is no experience in the chapter 35 program to use as an indicator of any precise figures.

Section 312

Subsection (a) of this section amends clause (2) of subsection (b) of section 1731 of title 38 to exempt programs of apprentice or other on-job training pursued by wives, widows and children under the authority of the new section 1738 added to chapter 35 by section 315 of this bill from the absence counting provisions for courses not leading to college degrees. This would equate such measurement with that presently applicable to apprentice and on-job training programs pursued by veterans under chapter 34. (The estimated cost of the apprentice, on-job programs is set forth in section 307 of the analysis.)

Subsection (b) has two purposes. First, it repeals the present language of subsection (e) of section 1731 which is no longer applicable in view of the advance payment proposal set forth in section 203 of this draft bill. Second, it would establish a requirement, comparable to that now applicable to correspondence courses pursued by veterans under chapter 34, that correspondence course benefits may not be paid to those wives and widows made eligible to pursue such training by the new section 1727 added by section 311 of the draft bill until the Administrator has received a certification from the eligible person and the institution as to the number of lessons completed by the eligible person and serviced by the institution. The same requirement is imposed in conjunction with the correspondence program pursued by veterans under chapter 34.

Section 313

This section amends clause (2) of subsection (a) of section 1732 to permit lump sum educational assistance allowance payments to be made to eligible widows, wives and children who are pursuing educational programs on less than a half-time basis. Payment would be made for an entire term, semester or quarter in the month following the month in which certification is received from the educational institution that the person is enrolled in and is pursuing his program of education. This would equate the less than half-time payment system for chapter 35 with that already established for chapter 34. This would improve the administrative procedures for handling these payments.

It is estimated that enactment of this section would not result in any additional costs.

Section 314

This section amends subsection (a) of section 1733 to incorporate three revisions. The first inserts a new clause (3) which provides for the measurement of high school courses under chapter 35 so as to accommodate the authority granted by section 311 permitting eligible wives and widows to pursue secondary training. The second inserts a new clause (5) providing for the measurement of certain on-job and apprenticeship training programs which would be permitted under the authority of the new section 1738 added to chapter 35 by section 315 of this proposal. The third change is identical with the one contained in section 305 of the proposal and relates to measurement of technical courses pursued at schools offering degree programs.

Section 315

This section would amend subchapter IV of chapter 35 to insert a new section 1738 which contains the basic authority for the payment of a subsistence allowance to those wives, widows and children who would become eligible to pursue apprentice and other on-job training programs. The rationale for this program is set forth in the analysis of section 307.

Section 316

This section would amend section 1777 of chapter 36 of title 38 to incorporate references to wives, widows and children who would be permitted to pursue programs of apprentice and other on-job training. The rationale for this program is set forth in the analysis of section 307.

Section 317

This section is technical in nature and merely reflects in the table of sections at the beginning of chapter 34 of title 38 the necessary heading changes required to be made because of the proposals made in sections 204, 303, and 306.

Section 318

This section is technical in nature and merely reflects in the table of sections at the beginning of chapter 35 of title 38 of the new sections added to such chapter by sections 311 and 315 of this proposal.

TITLE IV—EFFECTIVE DATES

Section 401

This section provides that the rate adjustments and advance pay provisions contained in titles I and II shall become effective on the first day of the second calendar month following the month in which enacted.

Section 402

This section provides that the provisions of section 303 relating to correspondence course training shall become effective upon the first enrollment of an eligible veteran which occurs on or after the first day of the second calendar month following the month in which enacted.

Section 403

This section provides that the revisions in the law concerning the counting of vocational training in certain institutions (sections 305 and 314) on a 'semester-hour basis shall become effective when a person affected by such a change either first enrolls or at the time of his subsequent re-enrollment occurring after the effective date of the enactment of this Act.

Changes in Existing Law Made by the Bill, As Reported

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 38—UNITED STATES CODE

*   *   *   *   *   *   *

PART I. GENERAL PROVISIONS

*   *   *   *   *   *   *

CHAPTER 1—GENERAL

Sec.
101. Definitions.
102. Dependent parents [and dependent]*;* husbands.

*   *   *   *   *   *   *

§ 102. Dependent parents [and dependent]*;* husbands

(a)(1) Dependency of a parent, which may arise before or after the death of a veteran, shall be determined in accordance with regulations prescribed by the Administrator.

(2) Dependency of a parent shall not be denied (A) solely because of remarriage, or (B) in any case in any State where the monthly income for a mother or father, not living together, is not more than $105, or where the monthly income for a mother and father living together, is not more than $175, plus, in either case, $45 for each additional member of the family whom the father or mother is under a moral or legal obligation to support, as determined by the Administrator.

(3) For the purposes of this subsection in determining monthly income the Administrator shall not consider any payments under laws administered by the Veterans' Administration because of disability or death or payments of bonus or similar cash gratuity by any State based upon service in the Armed Forces.

(b) For the purposes of this title [(except chapter 19)], (1) the term "wife" includes the husband of any female veteran [if such husband is incapable of self-maintenance and is permanently incapable of self-support due to mental or physical disability]; and (2) the term "widow" includes the widower of any female veteran [if such widower is incapable of self-maintenance and was permanently incapable of self-support due to physical or mental disability at the time of the veteran's death].

*   *   *   *   *   *   *

PART III—READJUSTMENT AND RELATED BENEFITS

*   *   *   *   *   *   *

CHAPTER 31—VOCATIONAL REHABILITATION

*   *   *   *   *   *   *

§ 1504. Subsistence allowances

(a) While pursuing a course of vocational rehabilitation training and for two months after his employability is determined, each veteran shall be paid a subsistence allowance as prescribed in this section. *The Administrator shall pay the initial subsistence allowance of a course of vocational rehabilitation training to an eligible veteran in an amount not to exceed the subsistence allowance for the month or fraction thereof in which pursuit of the course will commence, plus the subsistence allowance for one full month, upon receipt of proof that the veteran has been enrolled in an approved educational institution on a half-time or more basis. Such payment shall not be made earlier than the first day of the month in which pursuit of the course is to commence. Subsequent payments of subsistence allowance shall be made each month in advance, subject to such reports and proof of satisfactory pursuit of such program as the Administrator may require. The Administrator may withhold the final payment of subsistence allowance payable to such veteran until such proof is received and the amount appropriately adjusted. If the eligible veteran fails to pursue the course after receiving the initial payment of the subsistence allowance, the amount of such payment may be recovered from any benefit otherwise due the veteran under any law administered by the Veterans' Administration or such overpayment shall constitute a liability of such eligible veteran and may be recovered in the same manner as any other debt due the United States.*

(b) The subsistence allowance of a veteran-trainee is to be determined in accordance with the following table, and shall be the monthly amount shown in column II, III, or IV (whichever is applicable as determined by the veteran's dependency status) opposite the appropriate type of training as specified in column I:

[Column I	Column II	Column III	Column IV]
Type of training	No dependents	One dependent	Two or more dependents
Institutional:			
Full-time	$135	$181	$210
Three-quarter-time	98	133	156
Half-time	67	91	102
Institutional on-farm, apprentice, or other on-job training:			
Full-time	118	153	181]

Column I	*Column II*	*Column III*	*Column IV*
Type of training	*No dependents*	*One dependent*	*Two or more dependents*
Institutional:			
Full-time	*$154*	*$207*	*$240*
Three-quarter-time	*112*	*152*	*178*
Half-time	*76*	*104*	*116*
Institutional on farm, apprentice, or other on-job training:			
Full-time	*135*	*175*	*207*

Where any full-time trainee has more than two dependents and is not eligible to receive additional compensation as provided by section 315 or section 335 (whichever is applicable) of this title, the subsistence allowance prescribed in column IV of the foregoing table shall be increased by an additional **[**$6**]** *$7* per month for each dependent in excess of two.

(c) Where the course of vocational rehabilitation training consists of training on the job by an employer, such employer shall be required to submit monthly to the Administrator a statement in writing showing any wage, compensation, or other income paid by him to the veteran during the month, directly or indirectly. Based upon such written statements, the Administrator is authorized to reduce the subsistence allowance of such veteran to an amount considered equitable and just.

(d) The Administrator shall define full-time and part-time training in the case of all eligible veterans pursuing a course of vocational rehabilitation training under this chapter.

* * * * * * *

§ 1507. Loans to trainees

The revolving fund which was established pursuant to part VII of Veterans Regulation Numbered 1(a) is continued in effect, and may be used by the Administrator, under regulations prescribed by him, for making advances, not in excess of **[**$100**]** *$200* in any case, to veterans commencing or undertaking courses of vocational rehabilitation. Such advances, and advances heretofore made, shall bear no interest and shall be repaid in such installments as may be determined by the Administrator, by proper deductions from future payments of subsistence allowance, compensation, pension, or retirement pay.

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CHAPTER 34—VETERANS' EDUCATIONAL ASSISTANCE

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SUBCHAPTER III—ENROLLMENT

1670. Selection of program.
1671. Applications; approval.
1672. Change of program.
1673. Disapproval of enrollment in certain courses.
1674. Discontinuance for unsatisfactory conduct or progress.
1675. Period of operation for approval.
1676. Education outside the United States.
1677. Flight training.
1678. Correspondence courses.

SUBCHAPTER IV—PAYMENTS TO ELIGIBLE VETERANS

1681. Educational assistance allowance.
1682. Computation of educational assistance allowances.
1683. Apprenticeship or other on-job training.
1684. Measurement of courses.
1685. Overcharges by educational institutions.
1686. Approval of courses.
1687. Discontinuance of allowances.
1688. Veteran-student employment.

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SUBCHAPTER VI—**[**PREDISCHARGE**]** *PREPARATORY* EDUCATION PROGRAM

1695. Purpose; definition.
1696. Payment of educational assistance allowance.
1697. Educational and vocational guidance.

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Subchapter III—Enrollment

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§ 1671. Applications; approval

Any eligible veteran, or individual on active duty, who desires to initiate a program of education under this chapter shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. *The application of an individual on active duty must be approved by a service education officer prior to its submission.* The Administrator shall approve such application unless he finds that such veteran or individual is not eligible for or entitled to the educational assistance applied for, or that his program of education fails to meet any of the requirements of this chapter, or that he is already qualified. The Administrator shall notify the eligible veteran or individual of the approval or disapproval of his application.

* * * * * * *

§ 1675. Period of operation for approval

(a) The Administrator shall not approve the enrollment of an eligible veteran in any course offered by an educational institution when such course has been in operation for less than two years.

(b) Subsection (a) shall not apply to—

(1) any course to be pursued in a public or other tax-supported educational institution;

(2) any course which is offered by an educational institution which has been in operation for more than two years, if such course is similar in character to the instruction previously given by such institution;

(3) any course which has been offered by an institution for a period of more than two years, notwithstanding the institution has moved to another location within the same general locality *or where the school has made a complete move with substantially the same faculty, curricula, and students, without a change in ownership*; or

(4) any course which is offered by a nonprofit educational institution of college level and which is recognized for credit toward a standard college degree.

* * * * * * *

§ 1678. Correspondence courses

(a) Each eligible veteran who is pursuing a program of education exclusively by correspondence shall be paid an educational assistance allowance computed at the rate of 90 per centum of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran. The term "established charge" as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to the veteran, whichever is the lesser. Such allowance shall be paid quarterly

on a pro rata basis for the lessons completed by the veteran and serviced by the institution.

(b) The period of entitlement of any veteran who is pursuing any program of education exclusively by correspondence shall be charged with one month for each $200 which is paid to the veteran as an educational assistance allowance for such course.

Subchapter IV—Payments to Eligible Veterans

§ 1681. Educational assistance allowance

(a) The Administrator shall pay to each eligible veteran who is pursuing a program of education under this chapter an educational assistance allowance to meet, in part, the expenses of his subsistence, tuition, fees, supplies, books, equipment, and other educational costs.

(b) The educational assistance allowance of an eligible veteran shall be paid, as provided in section 1682 of this title, only for the period of his enrollment as approved by the Administrator, but no allowance shall be paid—

(1) to any veteran enrolled in a course which leads to a standard college degree for any period when such veteran is not pursuing his course in accordance with the regularly established policies and regulations of the educational institution and the requirements of this chapter, or of chapter 36;

(2) to any veteran enrolled in a course which does not lead to a standard college degree (excluding programs of apprenticeship and programs of other on-job training authorized by section 1683 of this title) for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution is not regularly in session; or

(3) to any veteran pursuing his program exclusively by correspondence for any period during which no lessons were serviced by the institution.

(c) The Administrator may, pursuant to such regulations as he may prescribe, determine enrollment in, pursuit of, and attendance at, any program of education or course by an eligible veteran for any period for which he receives an educational assistance allowance under this chapter for pursuing such program or course.

[(d) No educational assistance allowance shall be paid to an eligible veteran enrolled in a course in an educational institution which does not lead to a standard college degree for any period until the Administrator shall have received—

[(1) from the eligible veteran a certification as to his actual attendance during such period or where the program is pursued by correspondence a certificate as to the number of lessons actually completed by the veteran and serviced by the institution; and

[(2) from the educational institution, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education during such period and, in the case of an institution furnishing education to a veteran exclusively by correspondence, a certificate, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

Notwithstanding the foregoing, the Administrator may pay an educational assistance allowance representing the intial payment of an enrollment period, not exceeding one full month, upon receipt of a certificate of enrollment.]

(d) The Administrator shall, except as provided in subsection (e) of this section, pay the initial educational assistance allowance of an enrollment period to an eligible veteran in an amount not to exceed the educational assistance allowance for the month or fraction thereof in which pursuit of the program will commence, plus the educational assistance allowance for one full month, upon receipt of proof that the eligible veteran has been enrolled in an approved educational institution on a half-time or more basis. Such payment shall not be made earlier than the first day of the month in which pursuit of the program is to commence. Subsequent payments of educational assistance allowance shall be made each month in advance, subject to such reports and proof of satisfactory pursuit of such program as the Administrator may require. The Administrator may withhold the final payment of an enrollment period until such proof is received and the amount appropriately adjusted. If the eligible veteran fails to pursue the course after receiving the initial payment of the educational assistance allowance, the amount of such advance payment may be recovered from any benefit otherwise due the veteran under any law administered by the Veterans' Administration or such overpayment shall constitute a liability of such eligible veteran and may be recovered in the same manner as any other debt due the United States.

[(e) Educational assistance allowances shall be paid as soon as practicable after the Administrator is assured of the veteran's enrollment in and pursuit of the program of education for the period for which such allowance is to be paid.]

(e) No educational assistance allowance shall be paid to an eligible veteran enrolled in a program of education consisting exclusively of flight training or exclusively by correspondence for any period until the Administrator shall have received—

(1) from the eligible veteran a certification as to his actual attendance during such period or, where the program is pursued by correspondence, a certificate as to the number of lessons actually completed by the veteran and serviced by the institution, and

(2) from the educational institution a certification or an endorsement on the veteran's certificate that such veteran was enrolled in and pursuing a course of education during such period and, in the case of an institution furnishing education to a veteran exclusively by correspondence, a certificate, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

§ 1682. Computation of educational assistance allowances

(a)(1) Except as provided in subsection (b), (c)(1), or (d) of this section, or section 1677 or 1683 of this title, while pursuing a program of education under this chapter of half-time or more, each eligible veteran shall be paid the monthly educational assistance allowance set forth in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the applicable type of program as shown in column I:

[

Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$175	$205	$230	$13
Three-quarter-time	128	152	177	10
Half-time	81	100	114	7
Cooperative	141	167	192	10

]

Column I	*Column II*	*Column III*	*Column IV*	*Column V*
Type of program	*No dependents*	*One dependent*	*Two dependents*	*More than two dependents*
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	*$200*	*$234*	*$262*	*$15*
Three-quarter-time	*146*	*173*	*202*	*11*
Half-time	*92*	*114*	*130*	*8*
Cooperative	*161*	*191*	*219*	*11.*

(2) A "cooperative" program, other than a "farm cooperative" program, means a full-time program of education which consists of institutional courses and alternate phases of training in the business or industrial establishment with the training in the business or industrial establishment being strictly supplemental to the institutional portion.

(b) The educational assistance allowance of an individual pursuing a program of education—

(1) while on active duty, or

(2) on less than a half-time basis,

shall be computed at the rate of (A) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same program to pay, or (B) [$175] *$200* per month for a full-time course, whichever is the lesser. Notwithstanding provisions of section 1681 of this title, payment of the educational assistance allowance provided by this subsection may, and the educational assistance allowance provided by section 1696(b) shall, be made to an eligible veteran in an amount computed for the entire quarter, semester, or term during the month immediately following the month in which certification is received from the educational institution that the veteran has enrolled in and is pursuing a program at such institution.

[(c)(1) The educational assistance allowance of an eligible veteran pursuing a program of education exclusively by correspondence shall be computed on the basis of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran. The term "established charge" as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to the eligible veteran, whichever is the lesser. Such allowances shall be paid quarterly on a pro rata basis for the lessons completed by the veteran and serviced by the institution, as certified by the institution.

[(2) The period of entitlement of any eligible veteran who is pursuing any program of education exclusively by correspondence shall be charged with one month for each $175 which is paid to the veteran as an educational assistance allowance for such course.**]**

[d**]**(*c*)(1) An eligible veteran who is enrolled in an educational institution for a "farm cooperative" program consisting of institutional agricultural courses prescheduled to fall within 44 weeks of any period of 12 consecutive months and who pursues such program on—

(A) a full-time basis (a minimum of 12 clock hours per week, *or 528 clock hours in such year prescheduled to provide not less than 80 clock hours in any three-month period*),

(B) a three-quarter-time basis (a minimum of 9 clock hours per week), or

(C) a half-time basis (a minimum of 6 clock hours per week) shall be eligible to receive an educational assistance allowance at the appropriate rate provided in the table in paragraph (2) of this subsection, if such eligible veteran is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator. *In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the veteran is enrolled.*

(2) The monthly educational assistance allowance of an eligible veteran pursuing a farm cooperative program under this chapter shall be paid as set forth in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the basis shown in column I:

Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time	$141	$165	$190	$10
Three-quarter-time	101	119	138	7
Half-time	67	79	92	4

Column I	*Column II*	*Column III*	*Column IV*	*Column V*
Basis	*No dependents*	*One dependent*	*Two dependents*	*More than two dependents*
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time	*$161*	*$188*	*$217*	*$11*
Three-quarter-time	*115*	*136*	*157*	*8*
Half-time	*76*	*90*	*105*	*5.*

§ 1683. Apprenticeship or other on-job training

(a) Any eligible veteran may receive the benefits of this chapter while pursuing a full-time—

(1) program of apprenticeship approved by a State approving agency as meeting the standards of apprenticeship published by the Secretary of Labor pursuant to section 50a of title 29, United States Code, or

(2) program of other training on the job approved under the provisions of section 1777 of this title,

subject to the conditions and limitations of this chapter with respect to educational assistance.

(b)(1) The monthly training assistance allowance of an eligible veteran pursuing a program described under subsection (a) shall be as follows:

Periods of training	No dependents	One dependent	Two or more dependents
First 6 months	$108	$120	$133
Second 6 months	81	92	105
Third 6 months	54	66	79
Fourth and any succeeding 6-month periods	27	39	52

Periods of training	*No dependents*	*One dependent*	*Two or more dependents*
First 6 months	*$160*	*$178*	*$197*
Second 6 months	*120*	*136*	*156*
Third 6 months	*80*	*98*	*117*
Fourth and any succeeding 6-month periods	*40*	*58*	*77.*

(2) In any month in which an eligible veteran pursuing a program of apprenticeship or a program of other on-job training fails to complete one hundred and twenty hours of training in such month, the monthly training assistance allowance set forth in subsection (b) (1) of this section shall be reduced proportionately in the proportion that the number of hours worked bears to one hundred and twenty hours rounded off to the nearest eight hours.

* * * * * * *

§ 1688. Veteran-student employment

(a) Notwithstanding any other provision of law, the Administrator is authorized to utilize on an intermittent basis the services of veteran-students who are pursuing full-time programs of education or training under chapters 31 and 34 of this title. Such veteran-students may be utilized to perform such services for the Veterans' Administration at such times and places as the Administrator deems advisable.

(b) Veteran-students utilized under the authority of subsection (a) of this section shall be paid an hourly rate equivalent to the minimum rate for a grade in the General Schedule contained in section 5332 of title 5, determined by the Administrator to be appropriate for the services rendered. Such grade determination may, at the Administrator's discretion, be based upon, but shall not be subject to, position classification standards issued by the Civil Service Commission pursuant to section 5105 of title 5.

(c) While performing the services authorized by subsection (a) of this section, such veteran-students shall not be deemed to be employees of the United States for the purposes of laws administered by the Civil Service Commission. They shall, however, be considered to be employees of the United States for the purposes of the benefits of chapter 81 of title 5.

* * * * * * *

Subchapter VI—[Predischarge] *Preparatory* Education Program

§ 1695. Purpose; definition

(a) The purpose of this subchapter is to encourage and assist veterans in preparing for their future education, training, or vocation by providing them with an opportunity to enroll in and pursue a program of education or training prior to their discharge or release from active duty with the Armed Forces. The program provided for under this subchapter shall be known as the [Predischarge] *Preparatory* Education Program (PREP).

(b) For the purposes of this subchapter, the term "eligible person" means any person serving on active duty with the Armed Forces who has completed more than 180 consecutive days of such active duty service as certified to the Administrator by the Secretary concerned.

§ 1696. Payment of educational assistance allowance

(a) The Administrator shall, under such regulations as he shall prescribe after consultation with the Secretary of Defense, pay the educational assistance allowance as computed in subsection (b) of this section to an eligible person enrolled in and pursuing (1) a course or courses offered by an educational institution (other than by correspondence) and required to receive a secondary school diploma, or *needed to obtain an equivalency certificate, or* (2) any deficiency, remedial, or refresher course or courses offered by an educational institution and required for or preparatory to the pursuit of an appropriate course or training program in an approved educational institution or training establishment.

(b) The educational assistance allowance of an eligible person pursing education or training under this subchapter shall be computed at the rate of (1) the established charges for tuition and fees which the educational institution requires similarly circumstanced nonveterans enrolled in the same or a similar program to pay, and the cost of books and supplies peculiar to the course which such educational institution requires similarly circumstanced nonveterans enrolled in the same or a similar program to have, or (2) **[**$175**]** *$200* per month for a full-time course, whichever is the lesser.

(c) The educational assistance allowance authorized by this section shall be paid without charge to any period of entitlement earned pursuant to section 1661(a) of this title.

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CHAPTER 35—WAR ORPHANS' AND WIDOWS' EDUCATIONAL ASSISTANCE ACT

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SUBCHAPTER III—PROGRAM OF EDUCATION

1720. Development of educational plan.
1721. Final approval of application.
1722. Change of program.
1723. Disapproval of enrollment in certain courses.
1724. Discontinuance for unsatisfactory progress.
1725. Period of operation for approval.
1726. Special training for the educationally disadvantaged.
1727. Correspondence courses.

SUBCHAPTER IV—PAYMENTS TO ELIGIBLE PERSONS

1731. Educational assistance allowance.
1732. Computation of educational assistance allowance.
1733. Measurement of courses.
1734. Overcharges by educational institutions.
1735. Approval of courses.
1736. Discontinuance of allowances.
1737. Specialized vocational training courses.
1738. Apprenticeship or other on-job training.

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Subchapter I—Definitions

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§ 1701. Definitions

(a) For the purpose of this chapter—

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(6) The term "educational institution" means any public or private secondary school, vocational school, *correspondence school*, business school, junior college, teachers' college, college, normal school, professional school, university, or scientific or technical institution, or

any other institution if it furnishes education at the secondary school level or above.

* * * * * * *

(9) For the purposes of this chapter and chapter 36 of this title, the term "training establishment" means any establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprenticeship committee, or the Bureau of Apprenticeship and Training established pursuant to chapter 4C of title 29, or any agency of the Federal Government authorized to supervise such training.

* * * * * * *

SUBCHAPTER III—PROGRAM OF EDUCATION

§ 1720. Development of educational plan

(a) Upon provisional approval of an application for educational assistance for a person eligible within the meaning of section 1701(a)(1)(A), the Administrator shall arrange for, and the eligible person shall take advantage of, educational or vocational counseling to assist the parent or guardian and the eligible person in selecting his educational, vocational, or professional objective and in developing his program of education. *Such counseling shall not be required where the eligible person has been accepted for, or is pursuing, courses which lead to a standard college degree, at an approved institution.* During, or after, such counseling, the parent or guardian shall prepare for the eligible person an educational plan which shall set forth the selected objective, the proposed program of education, a list of the educational institutions at which such program would be pursued, an estimate of the sum which would be required for tuition and fees in completion of such program, and such other information as the Administrator shall require. This educational plan shall be signed by the parent or guardian and shall become an integral part of the application for educational assistance under this chapter.

* * * * * * *

§ 1723. Disapproval of enrollment in certain courses

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(c) The Administrator shall not approve the enrollment of an eligible person in any course of [apprentice or other training on the job, any course of] institutional on-farm training, any course to be pursued by correspondence (*except as provided in section 1727 of this chapter*), open circuit television (except as herein provided), or a radio, or any course to be pursued at an educational institution not located in a State or in the Republic of the Philippines. The Administrator may approve the enrollment of an eligible person in a course, to be pursued in residence, leading to a standard college degree which includes, as an integral part thereof, subjects offered through the medium of open circuit televised instruction, if the major portion of the course requires conventional classroom or laboratory attendance. Notwithstanding the first sentence of this subsection, enrollment in a foreign educational institution may be approved by the Administrator in the case of any eligible person, if (1) the subjects to be taken by such person at such foreign educational institution are an integral part of and are fully creditable toward the satisfactory completion of an approved course in which such person is enrolled in an institution of higher learning (hereafter in this sentence referred to as his "principal institution") which is located in a State or in the Republic of the Philippines, (2) the tuition and fees for attendance at such foreign educational institution are paid for by the principal institution, and (3) the principal institution agrees to assume the responsibility for submitting to the Veterans' Administration required enrollment certificates and monthly certifications of training as to attendance, conduct, and progress.

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§ 1725. Period of operation for approval

(a) The Administrator shall not approve the enrollment of an eligible person in any course offered by an educational institution when such course has been in operation for less than two years.

(b) Subsection (a) shall not apply to—

(1) any course to be pursued in a public or other tax-supported educational institution;

(2) any course which is offered by an educational institution which has been in operation for more than two years, if such course is similar in character to the instruction previously given by such institution;

(3) any course which has been offered by an institution for a period of more than two years, notwithstanding the institution has moved to another location within the same general locality *or where the school has made a complete move with substantially the same faculty, curricula, and students, without a change in ownership*; or

(4) any course which is offered by a nonprofit educational institution of college level and which is recognized for credit toward a standard college degree.

§ 1726. Special training for the educationally disadvantaged

(a) In the case of any eligible widow or wife who—

(1) has not received a secondary school diploma (or equivalency certificate), and

(2) in order to pursue a program of education for which she would otherwise be eligible, needs additional secondary school training, either refresher courses or deficiency courses, to qualify for admission to an appropriate educational institution,

the Administrator may, without regard to the provisions of section 1723(d), approve the enrollment of such widows or wives in an appropriate course or courses to be pursued in a State.

(b) The Administrator shall pay eligible widows or wives pursuing a course or courses pursuant to subsection (a) of this section an educational assistance allowance as provided in sections 1731 and 1732 of this chapter; except that no enrollment in adult evening secondary school courses shall be approved in excess of half-time training as defined in section 1733 of this title.

(c) The educational assistance allowance authorized by this section shall be paid without charge to any period of entitlement the widow or wife may have pursuant to sections 1710 and 1711 of this chapter.

§ 1727. Correspondence courses

(a) Each eligible wife or widow (as defined in section 1701(a)(1) (B), (C), or (D) of this chapter) who is pursuing a program of education exclusively by correspondence shall be paid an educational assistance allowance computed at the rate of 90 per centum of the established charge which the institution requires other individuals enrolled in the same program to pay. The term "established charge" as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to such eligible person, whichever is the lesser. Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the eligible person and serviced by the institution.

(b) The period of entitlement of any eligible person who is pursuing any program of education exclusively by correspondence shall be charged with one month for each $200 which is paid to the eligible person as an educational assistance allowance for such course.

Subchapter IV—Payments to Eligible Persons

§ 1731. Educational assistance allowance

(a) The Administrator shall pay to the parent or guardian of each eligible person who is pursuing a program of education under this chapter, and who applies therefor on behalf of such eligible person, an educational assistance allowance to meet, in part, the expenses of the eligible person's subsistence, tuition, fees, supplies, books, equipment, and other educational costs.

(b) The educational assistance allowance on behalf of an eligible person shall be paid, as provided in section 1732 of this title, only for the period of his enrollment as approved by the Administrator, but no allowance shall be paid—

(1) on behalf of any person enrolled in a course which leads to a standard college degree for any period when such person is not pursuing his course in accordance with the regularly established policies and regulations of the educational institution and the requirements of this chapter; or

(2) on behalf of any person enrolled in a course which does not lead to a standard college degree (*excluding programs of apprenticeship and programs of other on-job training authorized by section 1738 of this title*) for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law (or in the case of the Republic of the Philippines, Philippine law) during which the institution is not regularly in session.

(c) The Administrator may, pursuant to such regulations as he may prescribe, determine enrollment in, pursuit of, and attendance at, any program of education or course by an eligible person for any period for which an educational assistance allowance is paid on behalf of such eligible person under this chapter for pursuing such program or course.

[(d) No educational assistance allowance shall be paid on behalf of an eligible person enrolled in a course in an educational institution which does not lead to a standard college degree for any period until the Administrator shall have received—

[(1) from the eligible person a certification as to his actual attendance during such period; and

[(2) from the educational institution, a certification, or an endorsement on the eligible person's certificate, that he was enrolled in and pursuing a course of education during such period.]

(d) The Administrator shall pay the initial educational assistance allowance of an enrollment period on behalf of an eligible person in an amount not to exceed the educational assistance allowance for the month or fraction thereof in which pursuit of the program will commence, plus the educational assistance allowance for one full month, upon receipt of proof that the eligible person has been enrolled in an approved educational institution on a half-time or more basis. Such payment shall not be made earlier than the first day of the month in which pursuit of the program is to commence. Subsequent payments of educational assistance allowance shall be made each month in advance, subject to such reports and proof of satisfactory pursuit of such program as the Administrator may require. The Administrator may withhold the final payment of an enrollment period until such proof is received and the amount appropriately adjusted. If the eligible person fails to pursue the course after receiving the initial payment of the educational assistance allowance, the amount of such advance payment may be recovered from any benefit otherwise due the eligible person under any law administered by the Veterans' Administration or such overpayment shall constitute a liability of such eligible person and may be recovered in the same manner as any other debt due the United States.

[(e) Educational assistance allowances shall be paid as soon as practicable after the Administrator is assured of the eligible person's enrollment in and pursuit of the program of education for the period for which such allowance is to be paid.]

(e) No educational assistance allowance shall be paid to an eligible person enrolled in a program of education consisting exclusively of correspondence courses for any period until the Administrator shall have received (1) from the eligible person a certificate as to the number of lessons actually completed by the eligible person and serviced by the institution, and (2) from the educational institution, a certification, or an endorsement on the eligible person's certificate, as to the number of lessons completed by the eligible person and serviced by the institution.

§ 1732. Computation of educational assistance allowance

(a)(1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate of (A) [$175] *$200* per month if pursued on a full-time basis, (B) [$128] *$146* per month if pursued on a three-quarter-time basis, and (C) [$81] *$92* per month if pursued on a half-time basis.

(2) The educational assistance allowance on behalf of an eligible person pursuing a program of education on less than a half-time basis shall be computed at the rate of (A) the established charges for tuition and fees which the institution requires other individuals

enrolled in the same program to pay, or (B) [$175] *$200* per month for a full-time course, whichever is the lesser. *Notwithstanding provisions of section 1731 of this title, payment of the educational assistance allowance provided by this clause may be made to an eligible person in an amount computed for the entire quarter, semester, or term during the month immediately following the month in which certification is received from the educational institution that the person has enrolled in and is pursuing a program at such institution.*

(b) The educational assistance allowance to be paid on behalf of an eligible person who is pursuing a full-time program of education which consists of institutional courses and alternate phases of training in a business or industrial establishment with the training in the business or industrial establishment being strictly supplemental to the institutional portion, shall be computed at the rate of [$141] *$161* per month.

* * * * * * *

§ 1733. Measurement of courses

[(a) For the purposes of this chapter, (1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with no more than two and one-half hours of rest periods per week allowed, (2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction is required, and (3) an institutional undergraduate course offered by a college or university on a quarter- or semester-hour basis shall be considered a full-time course when a minimum of fourteen semester hours or the equivalent thereof, for which credit is granted toward a standard college degree (including those for which no credit is granted but which are required to be taken to correct an educational deficiency), is required, except that where such college or university certifies, upon the request of the Administrator, that (A) full-time tuition is charged to all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, or (B) all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, are considered to be pursuing a full-time course for other administrative purposes, then such an institutional undergraduate course offered by such college or university with such minimum number of such semester hours shall be considered a full-time course, but in the event such minimum number of semester hours is less than twelve semester hours or the equivalent thereof, then twelve semester hours or the equivalent thereof shall be considered a full-time course.]

(a) For the purposes of this chapter—

(1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with no more than two and one-half hours of rest periods per week allowed;

(2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five

hours per week net of instruction (which may include customary intervals not to exceed ten minutes between hours of instruction) is required;

(3) an academic high school course requiring sixteen units for a full course shall be considered a full-time course when a minimum of four units per year is required. For the purpose of this clause, a unit is defined to be not less than one hundred and twenty sixty-minute hours or their equivalent of study in any subject in one academic year;

(4) an institutional undergraduate course offered by a college or university on a quarter- or semester-hour basis shall be considered a full-time course when a minimum of fourteen semester hours or the equivalent thereof, for which credit is granted toward a standard college degree (including those for which no credit is granted but which are required to be taken to correct an educational deficiency), is required, except that where such college or university certifies, upon the request of the Administrator, that (A) full-time tuition is charged to all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, or (B) all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, are considered to be pursuing a full-time course for other administrative purposes, then such an institutional undergraduate course offered by such college or university with such minimum number of such semester hours shall be considered a full-time course, but in the event such minimum number of semester hours is less than twelve semester hours or the equivalent thereof, then twelve semester hours or the equivalent thereof shall be considered a full-time course; and

(5) a program of apprenticeship or a program of other on-job training shall be considered a full-time program when the eligible person is required to work the number of hours constituting the standard workweek of the training establishment, but a workweek of less than thirty hours shall not be considered to constitute full-time training unless a lesser number of hours has been established as the standard workweek for the particular establishment through bona fide collective bargaining.

(b) The Administrator shall define part-time training in the case of the types of courses referred to in subsection (a), and shall define full-time and part-time training in the cases of all other types of courses pursued under this chapter.

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§ 1738. Apprenticeship or other on-job training

(a) An eligible person (as defined in section 1701(a) of this chapter) may receive the benefits of this chapter while pursuing, in a State, a full-time—

(1) program of apprenticeship approved by a State approving agency as meeting the standards of apprenticeship published by the Secretary of Labor pursuant to section 50a of title 29, or

(2) program of other training on the job approved under the provisions of section 1777 of this title,

subject to the conditions and limitations of this chapter with respect to educational assistance.

(b)(1) The monthly training assistance allowance of such eligible person pursuing a program described under subsection (a) shall be (A) $160 during the first six-month period, (B) $120 during the second six-month period, (C) $80 during the third six-month period, and (D) $40 during the fourth and any succeeding six-month periods.

(2) In any month in which an eligible person pursuing a program of apprenticeship or a program of other on-job training fails to complete one hundred and twenty hours of training in such month, the monthly training assistance allowance set forth in subsection (b)(1) of this section shall be reduced proportionately in the proportion that the number of hours worked bears to one hundred and twenty hours rounded off to the nearest eight hours.

(c) For purposes of this chapter and chapter 36 of this title, the terms "program of apprenticeship" and "program of other on-job training" shall have the same meaning as "program of education"; and the term "training assistance allowance" shall have the same meaning as "educational assistance allowance."

Subchapter V—Special Restorative Training

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§ 1742. Special training allowance

(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on his behalf a special training allowance computed at the basic rate of **[**$175**]** *$200* per month. If the charges for tuition and fees applicable to any such course are more than **[**$55**]** *$63* per calendar month the basic monthly allowance may be increased by the amount that such charges exceed **[**$55**]** *$63* a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each $6.80 that the special training allowance paid exceeds the basic monthly allowance.

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CHAPTER 36—ADMINISTRATION OF EDUCATIONAL BENEFITS

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Subchapter I—State Approving Agencies

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§ 1774. Reimbursement of expenses

(a) The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies and an allowance for administrative expenses in accordance with the formula contained in subsection (b) of this section in (1) rendering necessary services in ascertaining the qualifications of educational institutions for furnishing courses of education to eligible persons or veterans under chapters 34 and 35, and in the supervision of such educational institutions, and (2) furnishing, at the request of the Administrator, any other services in connection with chapters 34 and 35. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of chapters 34 and 35.

[(b) The allowance for administrative expenses incurred pursuant to subsection (a) of this section shall be paid in accordance with the following formula:

Total salary cost reimbursable under this section	Allowance for administrative expense
$5,000 or less	$250.
Over $5,000 but not exceeding $10,000.	$450.
Over $10,000 but not exceeding $35,000.	$450 for the first $10,000 plus $400 for each additional $5,000 or fraction thereof.
Over $35,000 but not exceeding $40,000.	$2,625.
Over $40,000 but not exceeding $75,000.	$2,625 for the first $40,000 plus $350 for each additional $5,000 or fraction thereof.
Over $75,000 but not exceeding $80,000.	$5,225.
Over $80,000	$5,225 for the first $80,000 plus $300 for each additional $5,000 or fraction thereof.]

(b) The allowance for administrative expenses incurred pursuant to subsection (a) of this section shall be paid in accordance with the following formula:

Total salary cost reimbursable under this section	*Allowance for administrative expense*
$5,000 or less	*$300.*
Over $5,000 but not exceeding $10,000	*$540.*
Over $10,000 but not exceeding $35,000	*$540 for the first $10,000 plus $480 for each additional $5,000 or fraction thereof.*
Over $35,000 but not exceeding $40,000	*$3,150.*
Over $40,000 but not exceeding $75,000	*$3,150 for the first $40,000 plus $420 for each additional $5,000 or fraction thereof.*
Over $75,000 but not exceeding $80,000	*$6,270.*
Over $80,000	*$6,270 for the first $80,000 plus $360 for each additional $5,000 or fraction thereof.*

* * * * * * *

§ 1777. Approval of training on the job

(a) Any State approving agency may approve a program of training on the job (other than a program of apprenticeship) only when it finds that the job which is the objective of the training is one in which progression and appointment to the next higher classification are based upon skills learned through organized and supervised training on the job and not on such factors as length of service and normal turnover, and that the provisions of subsections (b) and (c) of this section are met.

(b) The training establishment offering training which is desired to be approved for the purposes of this chapter must submit to the appropriate State approving agency a written application for approval which, in addition to furnishing such information as is required by the State approving agency, contains a certification that—

(1) the wages to be paid the eligible [veterans] *veteran or eligible person* (A) upon entrance into training[,] are not less than *the* wages paid *other* nonveterans in the same training position and are at least 50 per centum of the wages paid for the job for which he is to be trained, and (B) such wages will be increased in regular periodic increments until, not later than the last full month of the training period, they will be at least 85 per centum of the wages paid for the job for which such eligible veteran *or eligible person* is being trained; and

(2) there is reasonable certainty that the job for which the eligible veteran *or eligible person* is to be trained will be available to him at the end of the training period.

(c) As a condition for approving a program of training on the job (other than a program of apprenticeship) the State approving agency must find upon investigation that the following criteria are met:

(1) The training content of the course is adequate to qualify the eligible veteran *or eligible person* for appointment to the job for which he is to be trained.

(2) The job customarily requires full-time training for a period of not less than six months and not more than two years.

(3) The length of the training period is not longer than that customarily required by the training establishments in the community to provide an eligible veteran *or eligible person* with the required skills, arrange for the acquiring of job knowledge, technical information, and other facts which the eligible veteran *or eligible person* will need to learn in order to become competent on the job for which he is being trained.

(4) Provision is made for related instruction for the individual eligible veteran *or eligible person* who may need it.

(5) There is in the training establishment adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training on the job.

(6) Adequate records are kept to show the progress made by each eligible veteran *or eligible person* toward his job objective.

(7) No course of training will be considered bona fide if given to an eligible veteran *or eligible person* who is already qualified by training and experience for the job.

(8) A signed copy of the training agreement for each eligible veteran *or eligible person,* including the training program and wage scale as approved by the State approving agency, is provided to the veteran *or person* and to the Administrator and the State approving agency by the employer.

(9) That the course meets such other criteria as may be established by the State approving agency.

* * * * * * *

CHAPTER 57—RECORDS AND INVESTIGATIONS

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§ 3301. Confidential nature of claims

All files, records, reports, and other papers and documents pertaining to any claim under any of the laws administered by the Veterans'

Administration *and the names and addresses of present or former personnel of the armed services, and their dependents in the possession of the Veterans' Administration* shall be confidential and privileged, and no disclosure thereof shall be made except as follows:

(1) To a claimant or his duly authorized agent or representative as to matters concerning himself alone when, in the judgment of the Administrator, such disclosure would not be injurious to the physical or mental health of the claimant and to an independent medical expert or experts for an advisory opinion pursuant to section 4009 of this title.

(2) When required by process of a United States court to be produced in any suit or proceeding therein pending.

(3) When required by any department or other agency of the United States Government.

(4) In all proceedings in the nature of an inquest into the mental competency of a claimant.

(5) In any suit or other judicial proceeding when in the judgment of the Administrator such disclosure is deemed necessary and proper.

(6) The amount of pension, compensation, or dependency and indemnity compensation of any beneficiary shall be made known to any person who applies for such information, and the Administrator, with the approval of the President, upon determination that the public interest warrants or requires, may, at any time and in any manner, publish any or all information of record pertaining to any claim.

(7) The Administrator in his discretion may authorize an inspection of Veterans' Administration records by duly authorized representatives of recognized organizations.

(8) The Administrator may release information, statistics, or reports to individuals or organizations when in his judgment such release would serve a useful purpose.

* * * * * * *

[No. 114]

COMMITTEE ON VETERANS' AFFAIRS, U.S. SENATE

VETERANS' ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., March 23, 1972.

Hon. VANCE HARTKE,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This will respond to your request for a report by the Veterans' Administration on H.R. 12828, 92d Congress, an Act to amend chapters 31, 34, and 35 of title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and persons; to provide for advance educational assistance payments to certain veterans; to make improvements in the educational assistance programs; and for other purposes.

This measure, with several exceptions, in similar to draft legislation submitted to the President of the Senate by my letter dated November 27, 1971. That draft proposal was referred to your committee on November 30, 1971, and was subsequently introduced as S. 3059, which was the subject of our report to your committee dated February 14, 1972. In this report, therefore, we are confining our comments to those points of difference between H.R. 12828, in its present form, and our draft proposal submitted last fall. The changes made by the House would: increase the benefit rates for most educational programs by 14.1 percent, as compared with our recommendation of 8.6 percent; delete language requiring correspondence schools to maintain a pro rata refund policy; delete authorization for the measurement of technical courses given at college-level schools on a semester-hour basis; permit an alternative measurement basis for full-time farm cooperative training; permit the pursuit of GED courses by servicemen taking PREP courses; add a new section removing the strict dependency requirements for husbands and widowers of female veterans; add a new provision requiring that names and addresses of veterans and their dependents in the possession of the Veterans' Administration be treated as confidential; and add a new section increasing by 20 percent the reimbursement formula for expenses of State approving agencies.

In our draft proposal, we recommended an increase in all educational assistance benefits under chapters 31, 34, and 35 (with the exception of on-job and apprentice programs) of approximately 8.6 percent. In the on-job and apprentice areas we recommended an increase of 48 percent. The House-passed bill retains the 48-percent recommendation for these latter two programs, but contains increases in all other benefits amounting to approximately 14.1 percent. We believe that the present educational assistance allowance rates should be increased. We feel, however, that the increases which we have proposed are in line with the slight increases which have occurred in consumer prices since the last rate increase became effective on February 1, 1970, and we oppose the magnitude of the increase which is currently included in H.R. 12828.

In both the programs for veterans chapter 34 (section 303) and with respect to the new authority in section 311 which would permit wives and widows to pursue correspondence programs, we recommended adoption of a pro rata refund policy. This would require correspondence schools to establish refund policy based upon the number of lessons serviced by the institution and would allow but limit registration or similar fees to $50.

A number of problems have occurred in the correspondence field which we believe could be corrected through the imposition of stricter standards in the making of refunds. Those schools which are not accredited are required to refund charges on a pro rata basis, which essentially means the veteran pays proportionally for the amount of training received. These schools are also permitted to retain $10 for registration paperwork, and the like. Accredited schools, on the other hand, have as a refund policy one that is based on the passage of time. For example, the schools may retain 10 percent of the contract price of the course, not to exceed $50, if the student cancels within 48 hours; 15 percent of the contract price plus $50 if the student cancels within 30 days; and 50 percent of the contract price plus $50 if he cancels after 3 months. This policy is imposed without regard to the number of lessons serviced. We believe that the policy should be based upon the services rendered to the veteran-student—lessons serviced. The schools should, of course, be entitled to a reasonable fee for administrative work which is required to set the course for the student and we feel that the $50 limit we have recommended is reasonable to cover this expense for each individual enrolled. We strongly recommend that these provisions be restored to H.R. 12828.

The House added language to section 304 of our proposal which would provide an alternative approach for full-time farm cooperative training. This would permit trainees to adjust their class schedules to their farm work. While still requiring the same total number of clock hours per 44-week school year, the alternative would allow a veteran to take as few as 80 clock hours in any 3-month period and still qualify for full-time benefits. This same change would also permit counting toward the total number of clock hours, certain field trips, and individual and group instruction provided these trips are utilized only when a need is indicated; that these trips or instruction bear a direct relation to the trainee's farm problems and that the trips or instruction be conducted by the educational institution through a duly authorized school instructor. We believe this alternative approach will prove satisfactory, and therefore have no objection to it.

Another change made in our original proposal occurs in sections 305 and 314. The original draft would permit the measurement, for benefit purposes, of trade or technical courses, given at an institution offering courses leading to a standard college degree, on a semester-hour basis rather than on a clock-hour basis as presently required. Many junior and community colleges are offering both professional courses as part of a degree program and technical courses which generally lead to certification for a trade or a technical license. The degree courses are measured on a semester-hour basis while the latter are measured on a clock-hour basis. This has led to dissatisfaction where veterans attend courses at the same school, but are paid under different criteria. The standards established for technical courses at these college-level institutions generally insure that quality training is being offered equivalent to the college-level courses. We recommend, therefore, that this proposal be reinstated in H.R. 12828.

A new section 318 was added to the proposal which would have the effect of removing from current law the requirement that the husband or widower of a female veteran be incapable of self-maintenance and permanently incapable of self-support to qualify for the dependency benefit. This change would have a broad effect on many programs which we administer and only a moderate effect on the educational program. In the latter field, the effect would be to grant to female veteran-students, who are married, the additional benefit provided for a dependent. We believe it is appropriate to drop this dependency requirement for husbands of female veteran-students and we support this change in the law.

Another new section (320) was also added to H.R. 12828. This change would amend section 3301 of title 38 to require that the names and addresses of veterans and their dependents in the possession of the Veterans' Administration be treated as confidential. It has been our policy to refuse to furnish addresses from our records except for certain specified reasons and we would prefer to continue to adhere to that policy. We therefore strongly support this provision.

A new section 321, also added, increases by 20 percent the formula set forth in section 1774(b) of title 38 for reimbursing State approving agencies for certain expenses. No change has been made in this formula since its inception in 1968 and, in view of increasing costs, we believe this increase is justified.

In proposing section 306 of our omnibus draft, we did not include any provision, such as has been agreed to by the House, which would permit the pursuit of GED (General Education Development) courses by servicemen in conjunction with the PREP program authorized by subchapter VI of chapter 34 of title 38.

Current law limits the pursuit, under that program, to those courses which are required to receive a secondary school diploma, or deficiency, remedial or refresher courses offered by an educational institution and required for or preparatory to the pursuit of an appropriate course or training program in an approved educational institution or training establishment. Thus, there is no authority currently in this program which would permit pursuit of GED courses which merely lead to the taking of an examination, for the granting of a high school equivalency certificate. Such instruction is presently offered by the Department of Defense. We are unable to support its inclusion in this bill.

It is estimated that the rate increases proposed in H.R. 12828 would result in additional direct benefits cost the first year of $266.2 million and $1,139.1 million over the first 5 years. It is also estimated that the other changes proposed to be made would result in added costs of $25.9 million the first full year and a total of $136.8 million over the first 5 years. The total additional cost of the measure for the first full year would, therefore, amount to $292.1 million and $1,275.9 million over the first 5 years.

You also requested a report on S. 3146, 92d Congress. That measure is identical to H.R. 12828, as passed by the House, except for the two amendments providing for confidentiality of the names and addresses and increasing the reimbursement formula for State approving agencies by 20 percent. Our comments otherwise on H.R. 12828 are, therefore, equally applicable to S. 3146 and will serve as our report thereon.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely,

DONALD E. JOHNSON, *Administrator.*

Department of Veterans Benefits
Veterans Administration
Washington, D.C. 20420

INFORMATION BULLETIN
DVB IB 24-72-1
January 18, 1972

VETERANS BENEFITS UNDER CURRENT EDUCATIONAL PROGRAMS

Title 38, U. S. Code, Chapters 31, 34 and 35

November 1971

I. SCOPE

Fall semester trainees in the 6th school year under the current GI bill are highlighted in this issue.

Progress and status of the educational assistance programs administered by the Veterans Administration are reviewed. Each of these three programs is identified and briefly described on pages 11 and 12.

II. NUMBERS IN TRAINING

Nearly one and a quarter million persons were training under VA educational programs in November 1971. This represents a 21 percent increase during the preceding 12 months (table 1).

It is interesting to note that trainees currently enrolled in college increased about 25 percent while trainees in schools below the college level increased 18 percent in the last 12 months. The 91,000 veterans currently enrolled in on-job training is 7 percent higher than a year ago.

The numbers of persons trained during each of the last 5 fiscal years is given in appendix table 9. The total number of individuals who will be in training under the three VA educational assistance programs during the current fiscal year is expected to be about 2 million.

Table 1

ALL PROGRAMS

Increase in Trainees in Last 12 Months

Program and Type of Training	November 1971	November 1970	Percent Increase
Total - All Trainees	1,241,921	1,025,268	21.1%
Vocational Rehabilitation - Chapter 31			
Total	20,166	18,734	7.6
College	15,058	13,170	14.3
Other Schools	3,957	4,412	- 10.3
On-Job Training	1,022	1,011	1.1
Institution on Farm	129	141	- 8.5
Educational Assistance - Chapter 34			
Grand Total	1,180,976	971,422	21.6
College	736,537	590,053	24.8
Other Schools	348,386	295,535	17.9
On-Job Training	90,795	84,662	7.2
Cooperative Farm	5,258	1,172	348.6
Flight 1/	(24,264)	(36,142)	-32.9
Correspondence 2/	(231,167)	(180,039)	28.4
Veterans	1.106.234	912,195	21.3
College	725,398	580,325	25.0
Other Schools	284,783	246,036	15.7
On-Job Trainees	90,795	84,662	7.2
Cooperative Farm	5,258	1,172	348.6
Flight 1/	(20,926)	(31,380)	-33.3
Correspondence 2/	(172,064)	(136,356)	26.2
Servicemen	74,742	59,227	26.2
College	11,139	9,728	14.5
Other Schools	63,603	49,499	28.5
Flight 1/	(3,338)	(4,762)	-29.9
Correspondence 2/	(59,103)	(43,683)	35.3
Educational Assistance - Chapter 35			
Grand Total	40,779	35,112	16.1
College	36,906	31,551	17.0
Other Schools	3,835	3,540	8.3
Special Restorative Training	38	21	81.0
Wives and Widows	5,466	4,574	19.5
College	4,116	3,112	32.3
Other Schools	1,346	1,460	- 7.8
Special Restorative Training	4	2	100.0
Sons and Daughters	35,313	30,538	15.6
College	32,790	28,439	15.3
Other Schools	2,489	2,080	19.7
Special Restorative Training	34	19	78.9

1/ Flight trainees are counted under "Other Schools"

2/ Correspondence trainees are counted under "Other Schools" or "College" as appropriate.

III. HIGHLIGHTS OF EXPERIENCE UNDER THE CURRENT GI BILL

Almost 3 million persons had entered training under the current GI bill through November 1971. This number includes more than 2 million veterans and servicemen from the Vietnam era. The cost of this training through November 1971 was $4.4 billion.

Summary data for eligible veterans and servicemen, applications for training and characteristics of trainees are given below, while detailed characteristics of trainees are given in section IV.

A. Post-Korean Veteran Population through November 1971

o Eligible for GI bill Educational Benefits	8,640,000
o Vietnam era - Total	5,524,000
o Service between Korean conflict and Vietnam era	3,116,000

B. Applications Received for Training through November 1971, Chapter 34

o Total	3,597,531
o Veterans	3,313,465
o Vietnam era	(2,295,928)
o Servicemen	284,066

C. Persons Entered Training and Cost through November 1971, Chapter 34

o Total	2,923,336
o Veterans	2,705,684
o Vietnam era	(1,884,304)

° Servicemen	217,652
° Educational assistance paid (In billions)	$4.4

D. Trainee Characteristics (Cumulative and Current)

	Cumulative Thru November 1971	In Training November 1971
° Completed at least 4 years high school at time of application	91%	93%
° Had less than a high school education at time of application	9%	7%
° Completed at least 1 year of college at time of application	24%	23%
° Were paid educational assistance allowance for one or more dependents	42%	48%
° College trainees attended public schools	76%	79%
° Below college trainees attended private schools	86%	84%
° College trainees attended full-time training	59%	67%

° Below college trainees attended full-time training	23%	19%
° Males	99%	99%

	Cumulative Thru June 1971
° Median age for Vietnam era veterans when they entered training	24.5 yrs
° Median age for post-Korean veterans when they entered training	25.9 yrs

IV. PROFILE OF TRAINEES UNDER THE CURRENT GI BILL

A. Trainees by Type of Training and Training Time

More than three of five (62%) of the 1,181,000 veterans and servicemen training under the current GI bill are enrolled in college. Most of these 737,000 college level trainees (84%) are undergraduates. Of these undergraduate students, 42 percent are in junior colleges.

The percentage of trainees enrolled at the college level is even higher (64%) for the 943,000 Vietnam era veterans and servicemen enrolled under the current GI bill.

A smaller percentage of Vietnam era veterans are training in schools below the college level, 23 percent compared to 26 percent for all veterans training under the current GI bill.

Data for veterans and servicemen in training by training time and type of training are given in appendix tables 1 and 2 for total chapter 34 trainees and in appendix tables 3 and 4 for Vietnam era veterans and servicemen. Comparable data for persons ever trained are given in appendix tables 5 through 8.

About three of five veterans training under the current GI bill (58%) are enrolled on a full-time basis, while approximately one of seven (15.5%) is enrolled for correspondence training only. Among Vietnam era veterans in training, the percentage enrolled for full-time training is higher (65%) while the percentage enrolled for correspondence training (12.9%) is lower.

Almost 75,000 servicemen on active duty are included in the count of GI bill trainees. About four in five of these servicemen (79%) are enrolled in correspondence schools while only 5.6 percent of the servicemen are training on a full-time basis, primarily in college.

B. State Comparisons of Trainees by Type of Training

There are substantial differences in the percentage distribution of trainees by type of training between the states (see appendix table 11). These percentages relate to trends in type of training which do not necessarily correspond to the participation rates shown in appendix table 10. For example, the state which is highest in percentage of on-job trainees (Vermont) is next to the lowest in overall participation by Vietnam era veterans.

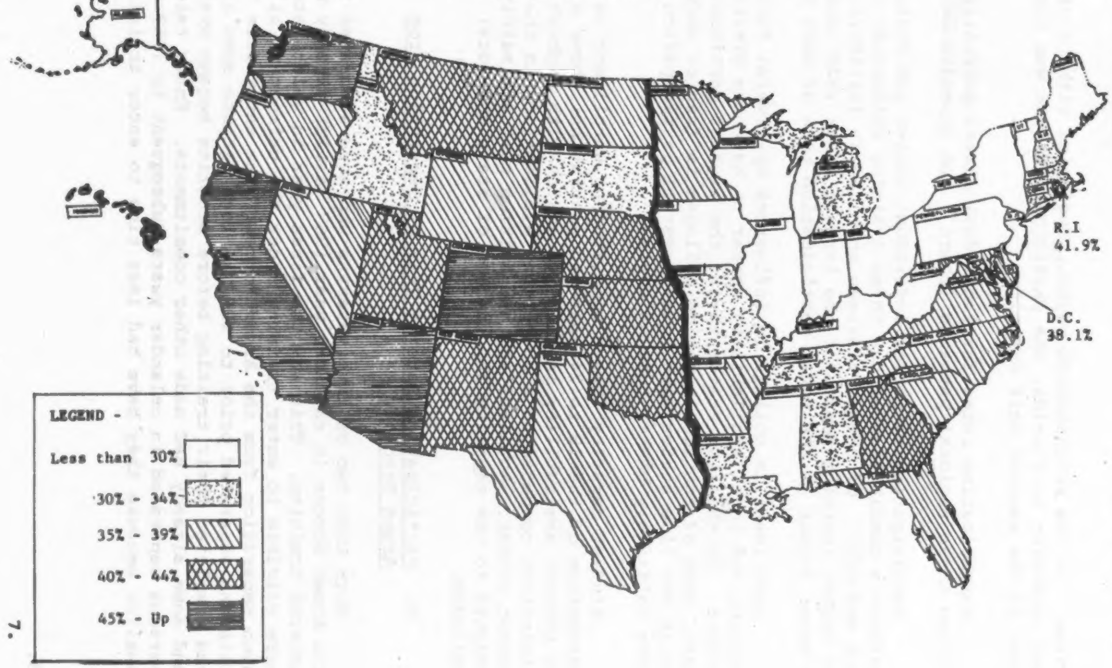
C. Regional Participation Rates for Vietnam Era Veterans

The overall participation rate for Vietnam era veterans and servicemen was 38.1 percent in November 1971. Participation varied by state from a high of 53.8 percent in Hawaii to a low of 19.9 percent in West Virginia.

Substantially higher participation rates occur in the western half of the nation, with the highest rates appearing in California, Arizona, Washington, Colorado and Hawaii. Participation rates were lower in the eastern half of the nation, with the lowest rates occurring in Mississippi, the Great Lakes states and Appalachia, extending northeast to

Chart 1

CHAPTER 34
VIETNAM ERA VETERANS BY RATE OF PARTICIPATION
THROUGH November 1971


R.I
41.9%
D.C.
38.1%
LEGEND -
Less than 30%
30% - 34%
35% - 39%
40% - 44%
45% - Up

Maine. In the southeastern region, beginning with Virginia and extending to Florida, the participation rate was higher than in the eastern half overall.

Participation rates for individual states generally follow these regional patterns (chart 1 and appendix table 10).

Participation rates for individual states and regions reflect a combination of the three training categories (IHL, BCL and OJT). Of these, trainees enrolled in institutions of higher learning represent the largest share (60%) and are a major factor in the total participation rate of each state.

Enrollment in college is influenced by several factors. Tuition and local availability appear to have the greatest effect. In the five states having the highest participation rate, cost of tuition in public colleges is free or very low while the five states with lowest overall participation rates have relatively higher tuition costs.

Student capacity (based upon student enrollment as a percentage of the 18- to 24-year-old population) shows a 40 percent availability in the five states with highest participation compared to a 30 percent availability in the five lowest states. Availability and tuition cost are mainly related to the capacity and charges of state and local colleges.

D. Participation Rate by Year of Separation from Armed Forces

More than two of five veterans who were separated from the Armed Forces in calendar year 1967 (41.2%) already have entered training. This was the first year in which veterans were eligible to enter training under the current GI bill upon separation from the Armed Forces. The entry rate for veterans separated prior to 1967 is less because some of them had completed their training before benefits became available and some already had made other commitments. Entry rates for persons separated in calendar years subsequent to 1967 are smaller because they have had less time to enter training.

January 18, 1972

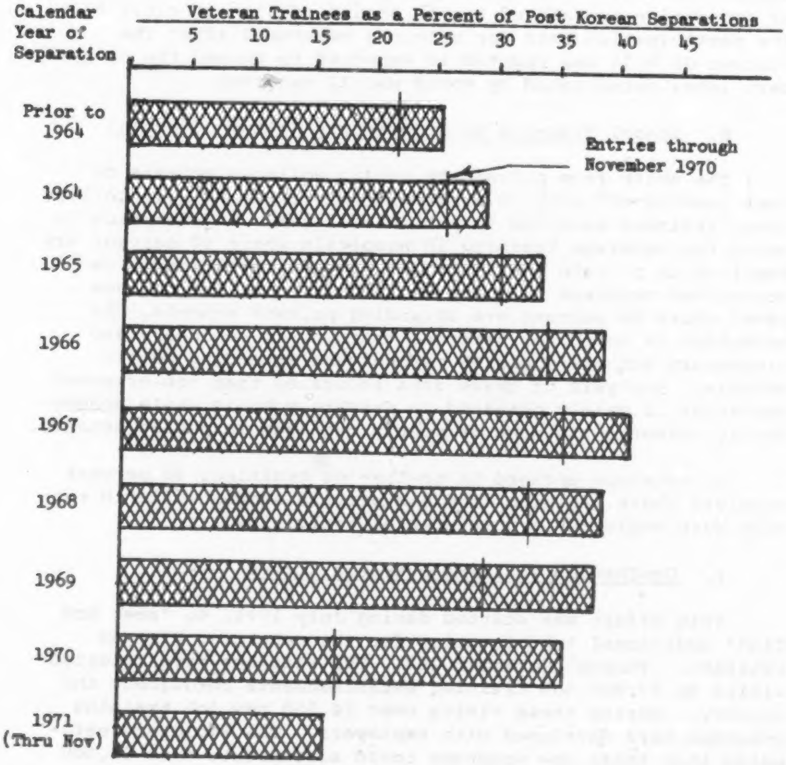
DVB IB 24-72-1

Chart 2

CHAPTER 34

ENTRY OF VETERANS INTO TRAINING 1/ AS A PERCENT OF POST-KOREAN VETERANS IN CIVIL LIFE BY YEAR OF SEPARATION FROM ARMED FORCES

(Entries June 1966 through Nov. 1971)



1/ Excludes 217,652 Servicemen

Growth in the participation rate during the past 12 months is indicated by the slash mark on the bars shown in chart 2. Note that there was substantial growth for each year of separation (even for those separated prior to 1964) but that this growth is progressively greater for years subsequent to 1967. This growth in participation rate by year of separation is related to the amount of time in civil life. The participation rate for veterans separated after the current GI bill was enacted is expected to exceed the 50 percent level established by World War II veterans.

E. School Training by Proprietary Status of School

The shift from private to public colleges appears to have leveled off with 78.3 percent of current GI bill college level trainees enrolled in public colleges. An exception is noted for veterans training in hospitals where 67 percent are enrolled in private institutions. The distribution is reversed for veterans training in schools below the college level where 86 percent are attending private schools. An exception is noted for veterans training in secondary and elementary schools where 96 percent are attending public schools. Analysis of these data indicates that job-oriented education is mainly obtained in private schools while academically oriented training is mostly received in public schools.

Of veterans engaged in on-the-job training, 90 percent received their training from the private sector while 10 percent were employed in governmental activities.

F. On-The-Job Training Outreach Effort

This effort was started during July 1971, to "seek and find" additional job vacancies for the returning Vietnam veterans. Through November 1971, DVB stations have reported visits to 27,800 job training establishments throughout the country. During these visits, over 14,200 new job training programs were developed with employers. The employers estimated that these new programs could accommodate over 26,500 new trainees.

G. Educationally Disadvantaged Trainees

Free entitlement is provided for educationally disadvantaged trainees under chapter 34. The use of this benefit assists them in completing high school or in taking remedial or deficiency courses needed to meet the entrance requirements for their educational program. At the end of November 1971, 27,132 trainees were using free entitlement.

V. RESUME OF THREE CURRENT EDUCATIONAL PROGRAMS

A. Veterans Educational Assistance Program

The current GI bill (PL 89-358) became effective June 1, 1966. It was enacted by the Congress to provide educational or vocational opportunities to veterans whose ambitions may have been thwarted or impeded by virtue of service in the Armed Forces after January 31, 1955. Also, these opportunities were made available to servicemen on active duty who had completed two or more years of service (later reduced to 181 days). Up to 36 months of full-time school or on-job training is provided for persons who complete 18 months of active duty in the Armed Forces.

B. Vocational Rehabilitation Program

Veterans suffering from service-connected or aggravated disabilities which cause a pronounced employment handicap may receive up to 48 months of education or training to restore their employability. The full cost of their training is paid by the Veterans Administration and, in addition, they receive a subsistence allowance while in training and for 2 months thereafter. Before starting training and while in training, these disabled veterans receive assistance from a vocational rehabilitation specialist or a counseling psychologist. Necessary employment assistance is provided following completion of training.

C. Dependents Educational Assistance Program

This third educational program serves survivors or dependents of those veterans who died from service-connected causes or whose service-connected disability is rated total and permanent. Wives and children of servicemen who are prisoners of war, missing in action, or interned by a hostile foreign government for more than 90 days are also eligible under this program. Up to 36 months of full-time training is provided in approved schools.

VI. COMPARISON OF CURRENT AND PAST READJUSTMENT TRAINING PROGRAMS -- THREE GI BILLS

A. Review of Participation Rates

The overall participation rate for Vietnam era trainees, after the first 66 months under the current GI bill, is 38.1 percent, compared to 38.8 percent for the Korean conflict and 42.9 percent for World War II trainees.

When participation rates by type of training are considered separately we find that the current GI bill already has surpassed its two predecessors in percentage of eligible persons entered school training (appendix table 13). Almost 35 percent of the Vietnam era veterans and servicemen have entered school training, compared to 33 percent for the Korean conflict and 31 percent for World War II veterans.

Inherent in this increased participation in school training under the current GI bill is an increase in percent of eligible veterans entering college level training, from 13.6 percent for World War II trainees to 21.2 percent for the Vietnam era.

The larger overall participation rates under prior GI bills compared to the current GI bill may be attributed to differences in the types of training available. The rapid expansion of on-job and trade school training under the World War II GI bill included many situations which were found to be unsatisfactory; these were eliminated by legislative restraints and therefore did not provide the basis for the same type of mushroom growth in trainees under the current GI bill as occurred following World War II. Further, the current situation relative to farm training is vastly different from conditions after World War II and the Korean conflict. Only a few states have developed significant farm training opportunities under the current GI bill.

B. Dependency Status for Trainee Payment

During the past 12 months there has been an increase in the percentage of chapter 34 trainees receiving additional payment for dependents, from 40.9 percent for all post-Korean and 36.8 percent for Vietnam era trainees last year, to 42.5 percent and 39.6 percent, respectively in November 1971 (appendix table 15).

Much of the difference in percentage of trainees paid for dependents under the current GI bill, compared to the two earlier groups, is due to a larger percentage of trainees who are ineligible for such benefits under the current program because they are enrolled in less than half-time training or because they are servicemen on active duty.

C. Prior Educational Attainment

Most of the trainees under the current GI bill (92.5%) had completed high school, or the equivalent thereof, prior to making application to the Veterans Administration for educational assistance. The difference between Vietnam era trainees and trainees under the two earlier GI bills in this respect is probably exaggerated because of the current emphasis placed upon attainment of a high school equivalency certificate (General Educational Development).

Many of the veterans who are shown by their military separation document (DD Form 214) to be non-high school graduates indicate on their applications for educational assistance that they completed high school, probably on the basis of a GED certificate. This causes an understatement of the extent to which training benefits are used by persons who were identified as non-high school graduates when they return to civil life.

VII. VOCATIONAL REHABILITATION FOR SERVICE-DISABLED VETERANS

A total of 20,166 service-disabled veterans were participating in vocational rehabilitation training in November 1971 (appendix table 17). Three of four, 15,058 were enrolled in college, which is an increase of 14 percent over the number a year ago. Of these, 89 percent were full-time students. In schools below the college level there were 3,957 participating as compared to 4,412 a year earlier, indicating a shift from below college level to college level training.

VIII. EDUCATIONAL ASSISTANCE FOR DEPENDENTS AND SURVIVORS OF TOTALLY DISABLED OR DECEASED VETERANS

There were 40,779 dependents or survivors receiving educational assistance in November 1971. Of these, 35,313 (86%) were sons and daughters of veterans. They were mainly attending college (92%) as compared to a lesser percentage of wives and widows enrolled in college (75%).

Orphans and widows represented 62 percent of the persons receiving educational assistance while dependents of disabled veterans represented 38 percent and dependents of prisoners of war amounted to less than one percent.

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Symbols Used in Appendix Tables

Data Not Available	NA
Not Applicable	-
Percent less than 0.05%	0.0
Quantity Zero	0

Appendix
Table 1

ALL PERSONS IN TRAINING UNDER CHAPTER 34 BY LEVEL OF TRAINING SHOWING FULL-TIME AND PART-TIME TRAINING STATUS
AS OF NOVEMBER 1971

LEVEL OF TRAINING	TOTAL				VETERANS				SERVICEMEN			
	Total	Full Time	Part Time	Corres-pondence	Total	Full Time	Part Time	Corres-pondence	Total	Full Time	Part Time	Corres-pondence
Total - All Levels	1,180,976	647,709	302,100	231,167	1,106,234	643,590	290,580	172,064	74,742	4,119	11,520	59,103
College - Total	736,537	490,034	244,387	2,116	725,398	486,369	237,098	1,931	11,139	3,665	7,289	185
Graduate	109,117	69,130	39,876	111	102,196	67,493	34,615	88	6,921	1,637	5,261	23
Undergraduate	621,223	417,778	202,834	611	617,234	415,818	200,865	551	3,989	1,960	1,969	60
Non-Degree	6,197	3,126	1,677	1,394	5,968	3,058	1,618	1,292	229	68	59	102
Below College - Total	353,644	66,880	57,713	229,051	290,041	66,426	53,482	170,133	63,603	454	4,231	58,918
Vocational or Tech. Post-High School	65,793	17,314	8,514	39,965	49,468	17,176	8,299	23,993	16,325	138	215	15,972
Other Voc. or Tech.	242,676	39,693	18,935	184,048	199,722	39,644	18,502	141,576	42,954	49	433	42,472
High School	15,653	4,729	5,886	5,038	14,667	4,462	5,641	4,564	986	267	245	474
Flight Training	24,264	-	24,264	-	20,926	-	20,926	-	3,338	-	3,338	-
Coop. Farm	5,258	5,144	114	-	5,258	5,144	114	-	-	-	-	-
On-Job Training-Total	90,795	90,795	-	-	90,795	90,795	-	-	-	-	-	-
Apprentice	59,447	59,447	-	-	59,447	59,447	-	-	-	-	-	-
Other	31,348	31,348	-	-	31,348	31,348	-	-	-	-	-	-

Appendix
Table 2

PERCENTAGE DISTRIBUTION OF ALL PERSONS IN TRAINING UNDER CHAPTER 34 BY LEVEL OF TRAINING
SHOWING FULL-TIME AND PART-TIME TRAINING STATUS AS OF NOVEMBER 1971

LEVEL OF TRAINING	TOTAL				VETERANS				SERVICEMEN			
	Total	Full Time	Part Time	Corres-pondence	Total	Full Time	Part Time	Corres-pondence	Total	Full Time	Part Time	Corres-pondence
Total - All Levels	100.0	54.9	25.6	19.5	100.0	58.3	26.2	15.5	100.0	5.6	15.4	79.0
College - Total	62.4	41.6	20.7	0.1	65.5	44.0	21.4	0.1	14.8	4.9	9.7	0.2
Graduate	9.3	5.9	3.4	0.0	9.2	6.1	3.1	0.0	9.2	2.2	7.0	0.0
Undergraduate	52.6	35.4	17.2	0,0	55.8	37.6	18.2	0.0	5.3	2.6	2.6	0.1
Non-Degree	0.5	0.3	0.1	0.1	0.5	0.3	0.1	0.1	0.3	0.1	0.1	0.1
Below College - Total	30.0	5.7	4.9	19.4	26.3	6.1	4.8	15.4	85.2	0.7	5.7	78.8
Vocational or Tech. Post-High School	5.6	1.5	0.7	3.4	4.5	1.6	0.7	2.2	21.9	0.2	0.3	21.4
Other Voc. or Tech.	20.6	3.4	1.6	15.6	18.1	3.6	1.7	12.8	57.5	0.1	0.6	56.8
High School	1.3	0.4	0.5	0.4	1.3	0.4	0.5	0.4	1.3	0.4	0.3	0.6
Flight Training	2.1	-	2.1	-	1.9	-	1.9	-	4.5	-	4.5	-
Coop. Farm	0.4	0.4	0.0	-	0.5	0.5	0.0	-	-	-	-	-
On-Job Training - Total	7.6	7.6	-	-	8.2	8.2	-	-	-	-	-	-
Apprentice	5.0	5.0	-	-	5.4	5.4	-	-	-	-	-	-
Other	2.6	2.6	-	-	2.8	2.8	-	-	-	-	-	-

Appendix
Table 3

VIETNAM ERA VETERANS AND SERVICEMEN IN TRAINING UNDER CHAPTER 34 BY LEVEL OF TRAINING
SHOWING FULL-TIME AND PART-TIME TRAINING STATUS AS OF NOVEMBER 1971

	TOTAL				VETERANS				SERVICEMEN			
	Total	Full Time	Part Time	Correspondence	Total	Full Time	Part Time	Correspondence	Total	Full Time	Part Time	Correspondence
Total - All Levels	943,225	568,704	202,864	171,657	868,483	564,585	191,344	112,554	74,742	4,119	11,520	59,103
College - Total	602,914	435,103	166,265	1,546	591,775	431,438	158,976	1,361	11,139	3,665	7,289	185
Graduate	83,126	57,862	25,180	84	76,205	56,225	19,919	61	6,921	1,637	5,261	23
Undergraduate	514,996	374,566	140,006	424	511,007	372,606	138,037	364	3,989	1,960	1,969	60
Non- Degree	4,792	2,675	1,079	1,038	4,563	2,607	1,020	936	229	68	59	102
Below College - Total	259,741	53,031	36,599	170,111	196,138	52,577	32,368	111,193	63,603	454	4,231	58,918
Vocational or Tech. Post-High School	52,837	14,602	6,271	31,964	36,512	14,464	6,056	15,992	16,325	138	215	15,972
Other Voc. or Tech.	180,062	32,524	13,157	134,381	137,108	32,475	12,724	91,909	42,954	49	433	42,472
High School	11,518	3,650	4,102	3,766	10,532	3,383	3,857	3,292	986	267	245	474
Flight Training	13,015	-	13,015	-	9,677	-	9,677	-	3,338	-	3,338	-
Coop. Farm	2,309	2,255	54	-	2,309	2,255	54	-	-	-	-	-
On-Job Training - Total	80,570	80,570	-	-	80,570	80,570	-	-	-	-	-	-
Apprentice	52,482	52,482	-	-	52,482	52,482	-	-	-	-	-	-
Other	28,088	28,088	-	-	28,088	28,088	-	-	-	-	-	-

Appendix
Table 4

PERCENTAGE DISTRIBUTION OF VIETNAM ERA VETERANS AND SERVICEMEN IN TRAINING UNDER CHAPTER 34
BY LEVEL OF TRAINING SHOWING FULL-TIME AND PART-TIME TRAINING STATUS AS OF NOVEMBER 1971

LEVEL OF TRAINING	TOTAL				VETERANS				SERVICEMEN			
	Total	Full Time	Part Time	Correspondence	Total	Full Time	Part Time	Correspondence	Total	Full Time	Part Time	Correspondence
Total - All Levels	100.0	60.4	21.5	18.1	100.0	65.1	[illegible]	12.9	100.0	5.6	15.4	79.0
College - Total	63.8	46.1	17.6	0.1	68.1	49.7	18.3	0.1	14.8	4.9	9.7	0.2
Graduate	8.8	6.1	2.7	0.0	8.8	6.5	2.3	0.0	9.2	2.2	7.0	0.0
Undergraduate	54.5	39.7	14.8	0.0	58.8	42.9	15.9	0.0	5.3	2.6	2.6	0.1
Non-Degree	0.5	0.3	0.1	0.1	0.5	0.3	0.1	0.1	0.3	0.1	0.1	0.1
Below College - Total	27.5	5.6	3.9	18.0	22.6	6.1	3.7	12.8	85.2	0.7	5.7	78.8
Vocational or Tech. Post-High School	5.6	1.5	0.7	3.4	4.2	1.7	0.7	1.8	21.9	0.2	0.3	21.4
Other Voc. or Tech.	19.1	3.5	1.4	14.2	15.8	3.7	1.5	10.6	57.5	0.1	0.6	56.8
High School	1.2	0.4	0.4	0.4	1.2	0.4	0.4	0.4	1.3	0.4	0.3	0.6
Flight Training	1.4	-	1.4	-	1.1	-	1.1	-	4.5	-	4.5	-
Coop. Farm	0.2	0.2	0.0	-	0.3	0.3	-	-	-	-	-	-
On-Job Training - Total	8.7	8.7	-	-	9.3	9.3	-	-	-	-	-	-
Apprentice	5.7	5.7	-	-	6.1	6.1	-	-	-	-	-	-
Other	3.0	3.0	-	-	3.2	3.2	-	-	-	-	-	-

Appendix
Table 5

ALL PERSONS EVER IN TRAINING UNDER CHAPTER 34 BY LEVEL OF TRAINING
SHOWING FULL-TIME AND PART-TIME TRAINING STATUS CUMULATIVE THROUGH NOVEMBER 1971

LEVEL OF TRAINING	TOTAL				VETERANS				SERVICEMEN			
	Total	Full Time	Part Time	Correspondence	Total	Full Time	Part Time	Correspondence	Total	Full Time	Part Time	Correspondence
Total - All Levels	2,923,336	1,407,605	926,599	589,132	2,705,684	1,386,918	866,470	452,296	217,652	20,687	60,129	136,836
College - Total	1,590,094	931,850	653,091	5,153	1,538,235	914,346	619,135	4,754	51,859	17,504	33,956	399
Graduate	299,778	179,525	119,867	386	271,171	172,439	98,399	333	28,607	7,086	21,468	53
Undergraduate	1,264,972	741,820	521,093	2,059	1,243,225	732,060	509,259	1,906	21,747	9,760	11,834	153
Non-Degree	25,344	10,505	12,131	2,708	23,839	9,847	11,477	2,515	1,505	658	654	193
Below College-- Total	1,111,767	254,280	273,508	583,979	945,974	251,097	247,335	447,542	165,793	3,183	26,173	136,437
Vocational or Tech. Post-High School	237,402	74,607	56,000	106,795	199,169	73,850	54,214	71,105	38,233	757	1,786	35,690
Other Voc. or Tech.	731,137	161,746	106,612	462,779	626,042	160,316	102,683	363,043	105,095	1,430	3,929	99,736
High School	55,304	11,970	28,929	14,405	46,284	10,974	21,916	13,394	9,020	996	7,013	1,011
Flight Training	81,808	-	81,808	-	68,363	-	68,363	-	13,445	-	13,445	-
Coop. Farm	6,116	5,957	159	-	6,116	5,957	159	-	-	-	-	-
On-Job Training - Total	221,475	221,475	-	-	221,475	221,475	-	-	-	-	-	-
Apprentice	131,760	131,760	-	-	131,760	131,760	-	-	-	-	-	-
Other	89,715	89,715	-	-	89,715	89,715	-	-	-	-	-	-

Appendix
Table 6

PERCENTAGE DISTRIBUTION OF ALL PERSONS EVER IN TRAINING UNDER CHAPTER 34 BY LEVEL OF TRAINING SHOWING FULL-TIME AND PART-TIME TRAINING STATUS CUMULATIVE THROUGH NOVEMBER 1971

LEVEL OF TRAINING	TOTAL				VETERANS				SERVICEMEN			
	Total	Full Time	Part Time	Corres- pondence	Total	Full Time	Part Time	Corres- pondence	Total	Full Time	Part Time	Corres- pondence
Total - All Levels	100.0	48.2	31.6	20.2	100.0	51.3	32.0	16.7	100.0	9.5	27.6	62.9
College - Total	54.4	31.9	22.3	0.2	57.0	33.9	22.9	0.2	23.8	8.0	15.6	0.2
Graduate	10.2	6.1	4.1	0.0	10.1	6.4	3.7	0.0	13.1	3.2	9.9	0.0
Undergraduate	43.3	25.4	17.8	0.1	46.0	27.1	18.8	0.1	10.0	4.5	5.4	0.1
Non-Degree	0.9	0.4	0.4	0.1	0.9	0.4	0.4	0.1	0.7	0.3	0.3	0.1
Below College - Total	38.0	8.7	9.3	20.0	34.8	9.2	9.1	16.5	76.2	1.5	12.0	62.7
Vocational or Tech. Post-High School	8.2	2.6	1.9	3.7	7.5	2.7	2.0	2.6	17.5	0.3	0.8	16.4
Other Voc. or Tech.	24.9	5.5	3.6	15.8	23.1	5.9	3.8	13.4	48.3	0.7	1.8	45.8
High School	1.9	0.4	1.0	0.5	1.7	0.4	0.8	0.5	4.2	0.5	3.2	0.5
Flight Training	2.8	-	2.8	-	2.5	-	2.5	-	6.2	-	6.2	-
Coop. Farm	0.2	0.2	0.0	-	0.2	0.2	0.0	-	-	-	-	-
On-Job Training - Total	7.6	7.6	-	-	8.2	8.2	-	-	-	-	-	-
Apprentice	4.5	4.5	-	-	4.9	4.9	-	-	-	-	-	-
Other	3.1	3.1	-	-	3.3	3.3	-	-	-	-	-	-

Appendix
Table 7

VIETNAM ERA VETERANS AND SERVICEMEN EVER IN TRAINING UNDER CHAPTER 34 BY LEVEL OF TRAINING
SHOWING FULL-TIME AND PART-TIME TRAINING STATUS CUMULATIVE THROUGH NOVEMBER 1971

LEVEL OF TRAINING	TOTAL				VETERANS				SERVICEMEN			
-	Total	Full Time	Part Time	Correspondence	Total	Part Time	Full Time	Correspondence	Total	Full Time	Part Time	Correspondence
Total - All Levels	2,101,956	1,126,768	577,419	397,769	1,884,304	1,106,081	517,290	260,933	217,652	20,687	60,129	136,836
College - Total	1,171,815	758,665	409,891	3,259	1,119,956	741,161	375,935	2,860	51,859	17,504	33,956	399
Graduate	184,924	118,584	66,112	228	156,317	111,498	44,644	175	28,607	7,086	21,468	53
Undergraduate	970,451	631,984	337,252	1,215	948,704	622,224	325,418	1,062	21,747	9,760	11,834	153
Non-Degree	16,440	8,097	6,527	1,816	14,935	7,439	5,873	1,623	1,505	658	654	193
Below College - Total	751,144	189,106	167,528	394,510	585,351	185,923	141,355	258,073	165,793	3,183	26,173	136,437
Vocational or Tech. Post-High School	166,777	56,721	35,100	74,956	128,544	55,964	33,314	39,266	38,233	757	1,786	35,690
Other Voc. or Tech.	496,945	120,077	66,556	310,312	391,850	118,647	62,627	210,576	105,095	1,430	3,929	99,736
High School	41,096	9,725	22,129	9,242	32,076	8,729	15,116	8,231	9,020	996	7,013	1,011
Flight Training	43,676	-	43,676	-	30,231	-	30,231	-	13,445	-	13,445	-
Coop. Farm	2,650	2,583	67	-	2,650	2,583	67	-	-	-	-	-
On-Job Training - Total	178,997	178,997	-	-	178,997	178,997	-	-	-	-	-	-
Apprentice	102,789	102,789	-	-	102,789	102,789	-	-	-	-	-	-
Other	76,208	76,208	-	-	76,208	76,208	-	-	-	-	-	-

Appendix
Table 8

PERCENTAGE DISTRIBUTION OF VIETNAM ERA VETERANS AND SERVICEMEN EVER IN TRAINING UNDER CHAPTER 34
BY LEVEL OF TRAINING SHOWING FULL-TIME AND PART-TIME TRAINING STATUS CUMULATIVE THROUGH NOVEMBER 1971

LEVEL OF TRAINING	TOTAL				VETERANS				SERVICEMEN			
	Total	Full Time	Part Time	Corres-pondence	Total	Full Time	Part Time	Corres-pondence	Total	Full Time	Part Time	Corres-pondence
Total - All Levels	100.0	53.6	27.4	19.0	100.0	58.6	27.5	13.9	100.0	9.5	27.6	62.9
College - Total	55.7	36.1	19.4	0.2	59.5	39.3	20.0	0.2	23.9	8.1	15.6	0.2
Graduate	8.7	5.6	3.1	0.0	8.3	5.9	2.4	0.0	13.2	3.3	9.9	0.0
Undergraduate	46.2	30.1	16.0	0.1	50.4	33.0	17.3	0.1	10.0	4.5	5.4	0.1
Non-Degree	0.8	0.4	0.3	0.1	0.8	0.4	0.3	0.1	0.7	0.3	0.3	0.1
Below College - Total	35.8	9.0	8.0	18.8	31.1	9.9	7.5	13.7	76.1	1.4	12.0	62.7
Vocational or Tech. Post-High School	8.0	2.7	1.7	3.6	6.9	3.0	1.8	2.1	17.5	0.3	0.8	16.4
Other Voc. or Tech.	23.7	5.7	3.2	14.8	20.8	6.3	3.3	11.2	48.2	0.6	1.8	45.8
High School	1.9	0.5	1.0	0.4	1.7	0.5	0.8	0.4	4.2	0.5	3.2	0.5
Flight Training	2.1	-	2.1	-	1.6	-	1.6	-	6.2	-	6.2	-
Coop Farm	0.1	0.1	0.0	-	0.1	0.1	0.0	-	-	-	-	-
On-Job Training - Total	8.5	8.5	-	-	9.4	9.4	-	-	-	-	-	-
Apprentice	4.9	4.9	-	-	5.4	5.4	-	-	-	-	-	-
Other	3.6	3.6	-	-	4.0	4.0	-	-	-	-	-	-

Appendix
Table 9

PERSONS IN TRAINING DURING FISCAL YEAR BY PROGRAM AND PERIOD OF SERVICE

Program	Fiscal Year 1971	1970	1969	1968	1967
Post-Korean Educational Assistance Program - Chapter 34					
In training during year - Total	1,584,866	1,210,731	925,013	686,919	467,883
Institutions of higher learning	917,389	677,240	528,515	413,714	338,785
Schools below college level	521,873	416,658	330,000	254,576	129,098
On-Job training	145,604	116,833	66,498	18,629	-
Children's Educational Assistance Program - Chapter 35					
In training during year - Total	50,724	45,391	43,269	40,480	37,191
Institutions of higher learning	45,383	40,695	38,436	36,043	33,328
Schools below college level	5,282	4,638	4,788	4,395	3,821
Special restorative training	59	58	45	42	42
Period of service of deceased or totally disabled veteran					
World War I	480	512	576	648	746
World War II	30,250	27,930	27,316	24,988	25,258
Korean Conflict	8,474	7,587	7,123	6,363	6,111
Other	11,520	9,362	8,254	8,481	5,076
Wives and Widows Educational Assistance Program - Chapter 35					
In training during year - Total	8,796	7,071	2,819	-	-
Institutions of higher learning	5,326	3,884	1,447	-	-
Schools below college level	3,459	3,187	1,372	-	-
Other	11	-	-	-	-
Period of service of deceased or totally disabled veteran					
World War I	111	102	41	-	-
World War II	2,981	2,631	1,146	-	-
Korean Conflict	949	697	235	-	-
Other	4,755	3,641	1,397	-	-
Vocational Rehabilitation Program for Disabled Veterans - Chapter 31					
In training during year - Total	30,471	24,457	18,969	14,373	12,547
Institutions of higher learning	20,116	14,928	10,390	6,490	5,058
Schools below college level	8,550	7,934	7,333	6,851	6,585
Job training	1,625	1,418	1,132	898	772
Institutional on farm	180	177	114	134	132
Period of service of veteran					
World War II	681	812	878	945	687
Korean Conflict	809	891	1,133	1,678	2,155
Peacetime	28,981	22,754	16,958	11,750	9,705
Vietnam era	(22,907)	(16,522)	NA	NA	NA
Other	(6,074)	(6,232)	NA	NA	NA
Total all trainees	1,674,857	1,287,690	900,000	741,772	517,621

Appendix
Table 10

CHAPTER 34

PARTICIPATION RATE FOR VIETNAM ERA VETERANS BY STATE AND TYPE OF TRAINING

Through November 1971

State	Veteran Population (000)	Trainees					
			Percent of Veteran Population				
		Number	Total	IHL	BCL	OJT	Corres. 2/
Total 1/	5,524	2,101,956	38.1	21.2	13.6	3.3	7.2
Alabama	86	28,357	33.0	17.0	14.2	1.8	3.3
Alaska	8	2,304	28.8	17.2	9.9	1.7	3.7
Arizona	46	23,506	51.1	33.7	13.0	4.4	5.6
Arkansas	40	14,392	36.0	20.2	12.7	3.1	4.1
California	598	282,622	47.3	34.8	9.6	2.9	4.0
Colorado	59	29,004	49.2	29.5	16.8	2.9	8.4
Connecticut	81	25,627	31.6	17.9	8.4	5.3	4.6
Delaware	16	4,580	28.6	17.7	7.1	3.8	4.3
District of Columbia	24	9,143	38.1	20.1	12.9	5.1	2.9
Florida	182	69,339	38.1	23.9	11.3	2.9	4.2
Georgia	97	41,970	43.3	20.0	20.4	2.9	4.8
Hawaii	19	10,070	53.0	30.8	13.9	8.3	5.7
Idaho	23	7,202	31.3	21.7	7.7	1.9	4.9
Illinois	302	88,635	29.3	16.4	9.3	3.6	4.9
Indiana	149	38,433	25.8	12.3	10.5	3.0	6.8
Iowa	77	22,132	28.7	16.1	10.4	2.2	5.0
Kansas	56	22,421	40.0	24.9	13.4	1.7	5.7
Kentucky	81	19,838	24.5	12.6	9.8	2.1	4.9
Louisiana	90	27,549	30.6	16.5	11.3	2.8	3.4
Maine	30	7,720	25.7	13.1	9.5	3.1	5.4
Maryland	102	35,578	34.9	21.1	10.2	3.6	4.7
Massachusetts	151	46,784	31.0	18.8	9.1	3.1	3.7
Michigan	249	79,303	31.8	18.3	9.6	3.9	5.4
Minnesota	116	42,290	36.5	18.8	13.6	4.1	4.4
Mississippi	39	11,387	29.2	18.2	9.2	1.8	3.4
Missouri	128	41,317	32.3	18.3	10.9	3.1	4.7
Montana	19	7,860	41.4	26.7	11.2	3.5	4.7
Nebraska	38	15,143	39.9	22.0	13.0	4.9	5.1
Nevada	13	4,736	36.4	20.1	13.5	2.8	6.7
New Hampshire	22	6,683	30.4	16.6	9.0	4.8	5.6
New Jersey	192	49,401	25.7	14.1	8.9	2.7	3.7
New Mexico	30	12,362	41.2	25.2	13.9	2.1	4.4
New York	455	132,680	29.2	16.9	7.5	4.8	3.5
North Carolina	107	38,920	36.4	19.4	11.8	5.2	4.4
North Dakota	19	6,784	35.7	22.3	11.4	2.0	4.2
Ohio	315	79,009	25.1	13.4	9.0	2.7	5.4
Oklahoma	68	28,205	41.5	26.5	12.9	2.1	3.7
Oregon	67	25,719	38.4	27.6	8.8	2.0	4.3
Pennsylvania	346	97,808	28.3	13.5	11.1	3.7	5.7
Rhode Island	22	9,208	41.9	23.6	14.5	3.8	6.4
South Carolina	54	20,877	38.7	18.0	16.6	4.1	4.6
South Dakota	17	5,677	33.4	20.1	11.4	1.9	5.5
Tennessee	100	33,674	33.7	18.5	12.4	2.8	4.8
Texas	270	104,460	38.7	24.4	12.2	2.1	5.2
Utah	29	11,966	41.3	31.0	8.8	1.5	5.8
Vermont	14	3,117	22.3	11.2	6.9	4.2	4.3
Virginia	105	37,195	35.4	20.6	10.6	4.2	5.6
Washington	103	50,109	48.6	30.3	15.2	3.1	7.8
West Virginia	62	12,272	19.9	10.5	7.0	2.4	3.6
Wisconsin	135	40,104	29.7	16.1	10.6	3.0	5.8
Wyoming	10	3,546	35.5	25.4	7.5	2.6	4.7
Outside U.S. 3/	63	15,286	24.3	15.5	8.4	0.4	1.3

1/ The total includes 217,652 servicemen trainees. Since these servicemen are not distributed proportionately by state they are omitted from state comparisons.

2/ Correspondence trainees are already counted in IHL or BCL, as appropriate.

3/ Area includes Commonwealth of Puerto Rico, U.S. Possessions and outlying areas, and foreign countries.

Appendix
Table 11

CHAPTER 34

TRAINEES BY TYPE OF TRAINING AND STATE OF RESIDENCE AT TIME OF APPLICATION

(In Training, November 1971)

State of Residence	Total Trainees Number	Total Trainees Percent	Percent by Type of Training IHL	BCL	OJT	Farm 1/	Corres 2/
Total	1,180,976	100.0	62.4	29.9	7.7	0.4	19.6
Alabama	18,689	100.0	55.5	39.3	5.2	0.0	12.8
Alaska	2,074	100.0	46.5	49.5	4.0	0.0	33.2
Arizona	16,196	100.0	68.1	24.8	7.1	0.0	20.0
Arkansas	8,710	100.0	54.9	36.6	8.5	7.4	14.4
California	190,958	100.0	75.4	20.3	4.3	0.0	14.8
Colorado	19,977	100.0	56.6	38.6	4.8	0.0	31.2
Connecticut	16,138	100.0	60.1	24.1	15.8	0.0	17.5
Delaware	2,895	100.0	64.1	26.2	9.7	0.0	20.1
District of Columbia	5,544	100.0	64.5	29.0	6.5	0.0	11.6
Florida	42,895	100.0	65.5	27.3	7.2	0.4	15.6
Georgia	26,533	100.0	48.0	46.1	5.9	0.0	14.6
Hawaii	6,427	100.0	60.5	26.5	13.0	0.0	20.3
Idaho	4,580	100.0	64.1	30.1	5.8	0.0	25.0
Illinois	53,566	100.0	60.1	28.0	11.9	0.1	21.1
Indiana	23,692	100.0	50.0	39.3	10.7	0.0	30.4
Iowa	12,992	100.0	54.7	38.7	6.6	7.7	21.0
Kansas	14,410	100.0	60.3	36.2	3.5	0.0	23.2
Kentucky	12,383	100.0	54.1	38.5	7.4	0.0	26.0
Louisiana	16,486	100.0	55.6	36.5	7.9	0.3	13.7
Maine	5,108	100.0	50.2	39.1	10.7	0.0	29.0
Maryland	23,376	100.0	66.3	26.4	7.3	0.0	19.5
Massachusetts	28,697	100.0	67.2	23.3	9.5	0.0	15.6
Michigan	45,766	100.0	63.4	27.0	9.6	0.0	19.8
Minnesota	23,565	100.0	52.8	36.4	10.8	2.1	16.7
Mississippi	7,254	100.0	57.3	36.6	6.1	0.0	18.2
Missouri	24,374	100.0	60.9	30.2	8.9	1.8	18.0
Montana	4,715	100.0	58.7	32.2	9.1	0.0	20.0
Nebraska	11,055	100.0	51.9	39.9	8.2	11.5	19.3
Nevada	3,092	100.0	51.0	41.2	7.8	0.0	31.9
New Hampshire	4,183	100.0	54.6	31.5	13.9	0.3	25.9
New Jersey	29,683	100.0	65.8	25.2	9.0	0.0	17.4
New Mexico	8,507	100.0	61.1	35.0	3.9	0.0	21.7
New York	80,104	100.0	64.2	26.1	9.7	0.0	20.1
North Carolina	23,731	100.0	54.4	31.7	13.9	0.7	16.9
North Dakota	4,262	100.0	49.8	43.3	6.9	0.3	28.8
Ohio	43,769	100.0	59.5	30.9	9.6	0.0	23.1
Oklahoma	17,151	100.0	69.5	25.9	4.6	0.7	13.4
Oregon	14,337	100.0	73.1	21.3	5.6	0.0	13.4
Pennsylvania	56,355	100.0	54.2	34.8	11.0	0.0	25.6
Rhode Island	5,723	100.0	63.9	29.2	6.9	0.0	21.5
South Carolina	14,205	100.0	47.6	44.1	8.3	0.0	21.4
South Dakota	4,189	100.0	47.1	48.1	4.8	9.5	28.1
Tennessee	19,780	100.0	58.0	33.6	8.4	0.0	15.9
Texas	67,955	100.0	64.5	31.3	4.2	0.0	20.8
Utah	8,284	100.0	68.6	27.3	4.1	0.0	23.2
Vermont	1,816	100.0	50.3	31.9	17.8	0.1	22.5
Virginia	25,608	100.0	58.7	32.2	9.1	0.0	25.1
Washington	29,381	100.0	63.9	30.7	5.4	0.0	20.9
West Virginia	7,306	100.0	56.2	32.3	11.5	0.0	22.1
Wisconsin	24,810	100.0	58.4	32.4	9.2	1.6	23.1
Wyoming	2,247	100.0	66.6	27.2	6.2	0.0	22.6
Outside U.S. 3/	15,443	100.0	45.6	53.7	0.7	0.0	32.2

1/ Farm trainees already counted in BCL

2/ Correspondence trainees already counted in IHL or BCL as appropriate

3/ Area includes Commonwealth of Puerto Rico, U. S. Possessions and outlying areas, and foreign countries

CHAPTER 34

Appendix
Table 12

PERCENTAGE DISTRIBUTION OF TRAINEES BY TYPE AND PROPRIETARY STATUS OF FACILITY AS OF NOVEMBER 1971

		Proprietary Status of Facility 1/					
		Public			Private		
			Training Time			Training Time	
Type of Facility	Total	Total	Full	Part	Total	Full	Part
Insitutions of Higher Learning	100.0	78.3	53.8	24.5	21.7	11.6	10.1
University/College	100.0	67.9	51.4	16.5	32.1	16.5	15.6
Hospital	100.0	32.1	31.8	0.3	67.9	67.2	0.7
Teachers College	100.0	99.0	75.2	23.8	1.0	0.6	0.4
Junior College	100.0	94.8	56.2	38.6	5.2	3.1	2.1
Other Schools	100.0	13.7	9.7	4.0	86.3	8.6	77.7
Technical	100.0	9.8	8.6	1.2	90.2	15.3	74.9
Business	100.0	0.1	0.0	0.1	99.9	19.0	80.9
Secondary/Elementary	100.0	96.2	44.7	51.5	3.8	1.4	2.4
Vocational/Trade	100.0	13.3	10.3	3.0	86.7	6.3	80.4
Job Training Establishments	100.0	9.9	9.9	-	90.1	90.1	-
Total	100.0	54.9	38.0	16.9	45.1	16.8	28.3

1/ The proprietary status and training time percentages may vary slightly from those shown in Section III D and appendix tables 1-8. This is because some institutions provide more than one type of training, causing tabulations by type of facility to differ from tabulations by type of training.

Appendix
Table 13

COMPARISON OF ELIGIBLE VETERANS AND PARTICIPATION RATES AFTER FIRST SIXTY-SIX MONTHS OF EDUCATIONAL ASSISTANCE UNDER THREE GI BILLS

	World War II June 44 - Nov. 49	Korean Conflict Sept. 52 - Feb. 58	Post-Korean 1/ June 66 - Nov. 71	Vietnam Era 1/ June 66 - Nov. 71
Veteran Population	15,283,000	5,303,000	8,640,000	5,524,000
Total Trained	6,552,498	2,056,139	2,923,336	2,101,956
Percent.	42.9%	38.8%	33.8%	38.1%
School trainees	4,697,959	1,763,183	2,695,745	1,920,309
Percent	30.8%	33.3%	31.2%	34.8%
College	(13.6%)	(20.0%)	(18.4%)	(21.2%)
Below college	(17.2%)	(13.3%)	(12.8%)	(13.6%)
On-Job	1,348,255	208,061	221,475	178,997
Percent	8.8%	3.9%	2.5%	3.2%
Farm	506,284	84,895	6,116	2,650
Percent	3.3%	1.6%	0.1%	0.1%

1/ Includes 217,652 servicemen

January 18, 1972

DVB IB 24-72-1
Appendix
Table 14

THREE GI BILLS

TOTAL NUMBER TRAINED, LEVEL OF TRAINING AND COST

Comparison for World War II, Korean Conflict, Post-Korean and Vietnam Era

	WW-II (Ended)	Korean Conflict (Ended)	Cumulative thru Nov. 1971		
			Post- 1/ Korean	Vietnam Era Veterans	Vietnam Era Servicemen
Total Trained	7,800,000	2,391,000	2,923,336	1,884,304	217,652
Percent	100.0	100.0	100.0	100.0	100.0
College	2,230,000	1,213,000	1,590,094	1,119,956	51,859
Percent	28.6	50.7	54.4	59.4	23.8
Below College	3,480,000	860,000	1,105,651	582,701	165,793
Percent	44.6	36.0	37.8	30.9	76.2
On-Job Training	1,400,000	223,000	221,475	178,997	-
Percent	17.9	9.3	7.6	9.5	
Institution on Farm	690,000	95,000	6,116	2,650	-
Percent	8.9	4.0	0.2	0.2	
Cost (In Billions)	$ 14.5	$ 4.5	$ 4.4	NA	NA

1/ Includes Vietnam Era

Appendix
Table 15

THREE GI BILLS

DEPENDENCY STATUS FOR TRAINEE PAYMENT

Comparison for WW II, Korean Conflict, Post-Korean and Vietnam Era

	Percent			
	WW II (Ended)	Korean Conflict (Ended)	Post-Korean (To Nov. 1971)	Vietnam Era (To Nov. 1971)
Total	100.0	100.0	100.0	100.0
Not paid for Dependents	46.1	46.0	57.5 1/	60.4 1/
Paid for one Dependent	23.7	17.5	15.3	17.8
Paid for two or more Dependents	30.2	36.5	27.2	21.8

1/ Includes persons with dependents if they are enrolled in less than half-time training, correspondence schools, or flight training; also includes all servicemen trainees for post-Korean and Vietnam era.

Appendix
Table 16

THREE GI BILLS

EDUCATIONAL LEVEL OF TRAINEES AT TIME OF APPLICATION

Comparison for World War II, Korean Conflict, Post-Korean and Vietnam Era

	WW II (Ended)	Korean Conflict (Ended)	Post Korean (To Nov.71)	Vietnam Era 1/ (To Nov.71)
Total	100.0	100.0	100.0	100.0
0-8 Grade	20.1	9.3	1.5	1.3
1-3 years of high school	25.1	19.7	7.3	6.2
4 years of high school	38.5	44.5	67.5	71.2
1-3 years of college	11.6	18.3	13.6	12.1
4 or more years of college	4.7	8.2	10.1	9.2
Median educational level	12.1 Yrs.	12.5 Yrs.	12.6 Yrs.	12.6 Yrs.

1/ Servicemen not included

Appendix
Table 17

CHAPTER 31

VOCATIONAL REHABILITATION FOR SERVICE-DISABLED VETERANS

Veterans in Training, November 1971

	Trainees				
Type of Training	Total	Full Time	Total	3/4	1/2
Total	20,166	18,155	2,011	1,042	969
College level	15,058	13,409	1,649	933	716
Schools below college level	3,957	3,595	362	109	253
Job training	1,022	1,022	-	-	-
Farm training	129	129	-	-	-

Appendix
Table 18

CHAPTER 35
DEPENDENTS EDUCATIONAL ASSISTANCE

Persons in Training November 1971

	Total	Orphans	Children of 100% Disab.	Widows	Wives of 100% Disab.	POW Children	POW Wives
Total	40,779	21,361	13,912	4,164	1,266	40	36
College	36,906	19,820	12,934	3,126	954	36	36
Graduate	1,634	707	443	384	94	1	5
Jr. College	9,190	4,613	2,847	1,302	419	3	6
Other Undergraduate	26,082	14,500	9,644	1,440	441	32	25
BCL	3,835	1,522	963	1,036	310	4	-
Special Restorative	38	19	15	2	2	-	-

Chairman **Hartke.** A summary of the proposed legislation on veterans' education and training benefits introduced during the first session of the 92d Congress which was prepared by the Education and Public Welfare Division of the Congressional Research Service at the Library of Congress will also be inserted into the record at this point.

(The above-mentioned summary of proposed legislation follows:)

SUMMARY OF PROPOSED LEGISLATION ON VETERANS' EDUCATION AND TRAINING BENEFITS, 92d CONGRESS, FIRST SESSION

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I. INTRODUCTION

This report describes the bills which have been introduced in the 1st session of the 91st Congress on Veterans' Education and Training Benefits and which have been referred to the Veterans' Affairs Committees in either the House or the Senate. Each bill is briefly summarized. A short historical background of the Veterans' Readjustment Benefit Program is included as is a chart showing the basic changes in the GI Bill from 1944 to the present.

Two other major pieces of legislation in the 92nd Congress relate to veterans education and training. The Higher Education Amendments of 1971 as passed by the Senate and the House (S. 659, H.R. 7248) includes several provisions pertaining to veterans education: (1) a work-study program for community learning would be created and would give preference to Vietnam-era veterans; (2) veterans' family income would be excluded in the determination of need for Educational Opportunity Grants and National Defense Education Act Loans; (3) grants given to institutions of higher learning would be partially determined by the number of Vietnam-era veterans enrolled.

The Health Manpower Act of 1971 (Public Law 92–157) also includes several provisions which are designed through special grants to encourage veterans to enter the health manpower field.

II. HISTORICAL BACKGROUND

There were a few provisions for veterans' educational readjustment program before 1944, but a comprehensive program of benefits began with the Servicemen's Readjustment Act of 1944, better known as the World War II "GI Bill of Rights". This began a progression of amendments and later "GI Bills". The World War II GI Bill was amended several times before the passage of the "Korean War GI Bill", Public Law 550 in the 82nd Congress. This bill was subsequently amended. The "Cold War GI Bill" was passed in the 89th Congress, P.L. 89–358 and was also amended. P.L. 89–358 with its amendments is the presently applicable law for veterans' educational and training benefits. The provisions of the three major laws as they were last amended are found in table 1.

TABLE 1

BRIEF COMPARISON OF EDUCATIONAL AND TRAINING ASSISTANCE UNDER THE SERVICEMEN'S READJUSTMENT ACT OF 1944, AS AMENDED; THE VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952, AS AMENDED; AND THE VETERANS' READJUSTMENT BENEFITS ACT OF 1966, AS AMENDED

Subject	World War II GI bill	Korean war II GI bill	Cold war GI bill
Statement of purpose	To provide Federal Government aid for readjustment in civilian life of returning World War II veterans (quoted from title of the act; no explicit statement of purpose).	To provide vocational readjustment and restore lost educational opportunities to servicemen and women whose vocational ambitions were interrupted or impeded by reason of active duty during a period of national emergency; and to help such persons in attaining the educational training status they might normally have obtained had they not served their country.	To enhance and make more attractive service in the Armed Forces of the United States; to extend the benefits of a higher education to qualified and deserving young persons who might not otherwise be able to afford such an education; to provide vocational readjustment and restore lost educational opportunities to those servicemen and servicewomen whose careers have been interrupted or impeded by reason of active duty after Jan. 31, 1955; and to aid such persons in attaining the vocational and educational status which they might normally have aspired to and obtained had they not served their country.
Qualifying service period	Sept. 16, 1940, through July 25, 1947 (termination of World War II).	June 27, 1950, through Jan. 31, 1955. For persons on active duty on Jan. 31, 1955, the qualifying period was from June 27, 1950, until the date of the person's first discharge or release from active duty occurring after Jan. 31, 1955.	After Jan. 31, 1955.
Definition of eligible veteran	An individual who, during the qualifying period (1) served 90 days or more on active duty and was discharged under conditions other than dishonorable; or (2) served on active duty for less than 90 days and was discharged for a service-connected disability; and (3) was not over age 25 at the time he entered the service; or (4) whose education or training was impeded, delayed, interrupted, or interfered with by reason of his service. No individuals still on active duty were eligible to receive assistance. The qualifying period was computed exclusive of any period of time the individual was assigned to a course of education or specialized training while in the Armed Forces.	An individual who, during the qualifying period (1) served 90 days or more on active duty and was discharged under conditions other than dishonorable; or (2) served on active duty and was discharged for a service-connected disability. No individuals still on active duty were eligible to receive assistance. The qualifying period was computed exclusive of any period of time the individual was assigned to a course of education or specialized training while in the Armed Forces.	An individual who (1) has served on active duty for a period of more than 180 days, some part of which occurred after Jan. 31, 1955, and has been discharged under conditions other than dishonorable; or (2) has been discharged from active duty, after Jan. 31, 1955, for a service-connected disability. An individual, while still in the Armed Forces is also eligible after the individual has served continuously for at least 2 years. The qualifying period is computed exclusive of any period of time the individual was assigned to a course of education, specialized training, or "active duty for training" in the Armed Forces.
Duration of education and training entitlement	1 year of education or training plus the length of service during the qualifying period, less the period of education or specialized training while in service. The total entitlement was not to exceed 4 years or the equivalent in continuous part-time study.	1½ times the duration of the veteran's active duty service during the qualifying service period, with a maximum entitlement of 36 months. Veterans who had accrued entitlement under other acts could receive a maximum combined period of entitlement of 48 months. Any period of education or specialized training an	1½ months of full-time education for each month, or parts thereof, of active duty not to exceed 36 months. Veterans who have accrued entitlement under more than 1 education program under this act may receive a maximum combined period of entitlement of 48 months.

		individual was assigned to while in the Armed Forces was not considered in computing the period of entitlement.	Any period of education or specialized training an individual is assigned to while in the Armed Forces is not considered in computing the period of entitlement. The entitlement period is prorated for individuals pursuing less than a full-time course of study.
Commencement and time limitations on educational and training programs.	An eligible veteran had to begin his educational or training program within 4 years after his discharge or prior to July 26, 1951 (4 years after the termination of World War II), whichever was later. He had to complete his education or training program before July 26, 1956 (9 years after the termination of World War II).	An eligible veteran had to begin his educational or training program within 3 years after his discharge or release from active duty. He had to complete his program within 8 years after his discharge or release from active duty.	No mandatory commencement period. An eligible individual must use his entitlement within a period of 8 years, to be counted from (1) the date of last discharge or release from active duty after Jan. 31, 1955; or (2) June 1, 1966, whichever is later.
Allowable programs of education and training...	Any full-time or part-time course of study or training at an approved educational or training institution which accepted or retained the eligible veteran. Educational or training institutions included public or private elementary, secondary, and other schools furnishing education for adults, business schools and colleges, scientific and technical institutions, colleges, vocational schools, universities, and other educational institutions, and business or other establishments providing apprentice or other training on the job or any State or Federal apprenticeship training agency. Correspondence courses were also included under certain conditions.		
Allowable programs of education and training...	....	Any unit or course of study necessary for the attainment of a predetermined and identified educational, professional, or vocational objective, which could be pursued in (1) an educational institution (elementary school, secondary school, vocational school, correspondence school, business school, junior college, teachers college, college, normal school, professional school, university, scientific or technical institution, or other adult education institution); or (2) a training establishment (business or other establishments which, either independently or in cooperation with colleges, universities, or government agencies provide apprentice or other training on the job). Correspondence courses and flight training were also included with certain conditions.	Any unit or course of study which is necessary for the attainment of a predetermined and identified educational, professional, or vocational objective, and which may be pursued in a secondary or postsecondary educational institution. Assistance is provided in obtaining college-level, including graduate and postgraduate, as well as below-college-level education, and education in trade, vocational, and technical schools, flight training (under certain circumstances), on-the-job training, and farm cooperative training. Education may be pursued through correspondence courses (under certain circumstances), and part-time education is permitted. A predischarge education program (PREP) is provided for those not yet discharged from the armed services Special assistance to enable eligible veterans to obtain a high school diploma or take refresher or remedial courses is also provided.

This section shows each amendment which affected assistance allowance separately.

SERVICEMEN'S READJUSTMENT ACT OF 1944, PUBLIC LAW 78-346

	Basic monthly assistance payment rates—		
		Number of dependents	
Subject	Type of program	None	1 or more
Amount of educational or training assistance.	Full-time institutional training: Part-time courses and courses for which the individual received compensation for productive labor (such lesser sums, if any, as subsistence or dependency allowances as may be determined by the administrator).	$50	$75
	The basic monthly assistance payments were supplemented with up to $500 per year that could be paid by the Veterans' Administration to the school for tuition and other school fees.		
	The tuition and other school fees payment was not payable to establishments furnishing apprentice on-the-job training.		

PUBLIC LAW 79-268, DEC. 28, 1945

	Basic monthly assistance payment rates—		
		Number of dependents	
Subject	Type of program	None	1 or more
Amount of educational or training assistance.	Full-time institutional training	$65	$90
	Part-time courses and courses for which the individual received compensation for productive labor (retains provisions of 78-346).		
	Tuition fees; retains provision of Public Law 78-346.		
	Apprentice, on-the-job training retains provisions of Public Law 78-346.		
	Payment for correspondence courses to be computed on the basis of established costs for the course of study, not to exceed $500, and did not include the monthly subsistence allowance.		

PUBLIC LAW 80-411, FEB. 14, 1948

	Basic monthly assistance payment rates—			
		Number of dependents		
Subject	Type of program	None	1	More than 1
Amount of educational or training assistance.	Full-time institutional training	$75	$105	$120
	Part-time courses and courses for which the individual received compensation for productive labor (retains the provisions of 79-268).			
	Tuition and fees (retains the provisions of 79-268).			
	Apprentice on-the-job training (retains the provisions of 79-268).			
	Correspondence study (retains the provisions of 79-268).			

PUBLIC LAW 81-266, AUG. 24, 1949

Subject	Type of program	Basic monthly assistance payment rates—		
		Number of dependents		
		None	1	2
Amount of educational or training assistance.	Full-time institutional training (retains provisions of 80-411).			
	Part-time courses and courses for which the individual received compensation for productive labor (retains provisions of 80-411).			
	Tuition and fees (retains provisions of 80-411).			
	Correspondence courses (retains provisions of 80-411).			
	Flight-training in connection with a veteran's present or contemplated business or occupation, testified to by 2 witnesses, will be considered an applicable form of training, to be paid as correspondence courses are.			

KOREAN GI BILL 82-550, JULY 16, 1952

Subject	Type of program	Basic monthly assistance payment rates—		
		Number of dependents		
		None	1	More than 1
Amount of educational or training assistance.	Institutional:			
	Full time	$110	$135	$160
	¾ time	80	100	120
	½ time	50	60	80
	Institutional and on-the-job training combined over ½ time.	90	110	130
	Apprentice or other on-the-job training over ½ time.	70	85	105
	Institutional on-farm training	95	110	130
	Payments for apprentice or other on-the-job training and for institutional on-farm training were subject to reduction as training progressed.			
	Payments for correspondence study to be computed on the basis of established charges involved.			
	Payments for institutional study on less than a ½-time basis computed on the basis of the established charges or $110 per month, whichever is less.			
	Payments for flight training computed at the rate of 75 percent of the established charge. If the flight training is in addition to other courses of training the allowance for flight training will be paid in addition to other allowances.			

COLD WAR GI BILL 89-358, Mar. 3, 1966

Subject	Type of program	Basic monthly assistance payment rates— Number of dependents: None	1	2 or more
Amount of educational or training assistance.	Institutional:			
	Full time	$100	$125	$150
	¾ time	75	95	115
	½ time	50	65	75
	Cooperative (full-time institutional training with training in business or industrial establishment supplemental).	80	100	120
	Eligible veterans pursuing a program of education (a) while on active duty or (b) on less than one-half time basis will receive an allowance computed on the basis of (1) regular charges for fees and tuition; or (2) $100 per month for a full-time course, whichever is less.			
	Payments for correspondence study computed in each instance on the basis of established charges involved.			

PUBLIC LAW 90-77, AUG. 31, 1967

Subject	Type of program	Basic monthly assistance payment rates— Number of dependents: None	1	2	More than 2 (the amount for 2 plus the following)
Amount of educational or training assistance.	Institutional:				
	Full time	$130	$155	$175	$10
	¾ time	95	115	135	7
	½ time	60	75	85	5
	Cooperative (full-time institutional training with training in business or industrial establishment supplemental).	105	125	145	7
	Training assistance allowances paid under apprenticeship or other on-the-job training programs are paid according to the period of time the eligible individual is enrolled.				

PUBLIC LAW 90-77, AUG. 31, 1967—Continued

Subject	Period of training	Number of dependents: None	1	2 or more
Amount of educational or training assistance.	1st 6 months	80	90	100
	2d 6 months	60	70	80
	3d 6 months	40	50	60
	4th and only succeeding 6-month period.	20	30	40
Amount of educational or training assistance.	Allowances for farm cooperative training were paid under the same computations as "cooperative" training.			
	The rate for persons on active duty or those pursuing a program less than ½ time is computed at the rate of established charges for tuition and other fees required of nonveteran students or $130 per month for a full-time course whichever is less.			
	The rate for persons pursuing flight training is computed at the rate of 90 percent of the established charges for tuition and other fees required of nonveteran students and the veteran is charged 1 month of his total entitlement for each $175 paid to him for his flight training.			
	Correspondence courses retain provisions of 89-358.			

PUBLIC LAW 90-631, OCT. 23, 1968

Subject	Type of program	Basic monthly assistance payment rates— Number of dependents: None	1	2	More than 2 (2 plus the following per each child)
Amount of educational or training assistance.	Institutional (retain provisions of Public Law 90-77).				
	Cooperative (retain provisions of Public Law 90-77).				
	Training assistance (retain provisions of Public Law 90-77).				
	Farm cooperative training:				
	Full time	$105	$125	$145	$7
	¾ time	75	90	105	5
	½ time	50	60	70	3
	Active duty or less than ½ time (retain provisions of Public Law 90-77).				
	Flight training (retain provisions of Public Law 90-77).				
	Correspondence study retains the assistance provisions with the addition that for each $130 paid the veteran will reduce 1 month from his period of entitlement.				

Subject	Type of program	Basic monthly assistance payment rates— Number of dependents None	1	2	Each dependent above 2
Amount of educational or training assistance.	Institutional:				
	Full time	$175	$205	$230	$13
	¾ time	128	152	177	10
	½ time	81	100	114	7
	Cooperative (full time institutional training with training in business or industrial establishment supplemental).	141	167	192	10
	Training assistance allowances paid under apprenticeship or other on-the-job training programs are paid according to the period of time the eligible individual is enrolled.				

Subject	Period of training	Number of dependents None	1	2 or more
Amount of educational or training assistance.	1st 6 months	$108	$120	$133
	2d 6 months	81	92	105
	3d 6 months	54	66	79
	4th and any succeeding 6-month periods.	27	39	52

Subject	Basis	Allowance for farm cooperative training— Number of dependents None	1	2	More than 2 (2 plus the following per each child)
Amount of educational or training assistance.	Full time	$141	$165	$190	$10
	¾ time	101	119	138	7
	½ time	67	79	92	4
	The rate for persons on active duty or those pursuing a program less than ½ time is computed at the rate of established charges for tuition and other fees required on nonveteran students or $175 per month for a full-time course, whichever is less.				
	The rate for persons pursuing flight training is computed at the rate of 90 percent of the established charges for tuition and other fees required of nonveteran students and the veteran is charged 1 month off his total entitlement for each $175 paid to him for his flight course.				
	The rate for correspondence courses is computed on the basis of the established charges for tuition and other fees required of nonveteran students and the veteran is charged 1 month of his total entitlement for each $175 paid to him for his correspondence course.				

III. PROPOSED LEGISLATION REFERRED TO THE VETERANS' AFFAIRS COMMITTEES

There have been 68 separate bills introduced in the House and the Senate. Some of these bills duplicate each other. In cases of duplication the first bill introduced has been discussed. The bills are divided by subject, those bills which affect more than one area have been cross referenced. These summaries are brief and designed to cover only the major provisions of the bills described.

A. LISTING OF PROPOSED LEGISLATION

The following is a listing of all the bills which involve veterans' education and training which have been introduced in the 92nd Congress, 1st Session, and referred to the Veterans' Affairs Committee of the House or the Senate.

Senate

S. 740
S. 1776
S. 1918
S. 2063
S. 2161
S. 2163
S. 2660
S. 2666
S. 2744

House

H.R. 232
H.R. 298
H.R. 413
H.R. 2523
H.R. 3349
H.R. 3351
H.R. 4223
H.R. 4864
H.R. 5052
H.R. 5053
H.R. 5188
H.R. 6042
H.R. 6130
H.R. 6148
H.R. 6904
H.R. 7659
H.R. 7668
H.R. 8094
H.R. 8266
H.R. 8282
H.R. 8604
H.R. 9609
H.R. 9613
H.R. 9627
H.R. 9662
H.R. 9779
H.R. 9823
H.R. 9824
H.R. 9894
H.R. 9968
H.R. 10043
H.R. 10044
H.R. 10168
H.R. 10169
H.R. 10224
H.R. 10391
H.R. 10432
H.R. 10504
H.R. 10543
H.R. 10565
H.R. 10603
H.R. 10605
H.R. 10648
H.R. 10774
H.R. 10775
H.R. 11400
H.R. 11534
H.R. 11552
H.R. 11571
H.R. 11720
H.R. 11922
H.R. 11954
H.R. 12052
H.R. 12074
H.R. 12241
H.R. 12251
H.R. 12254
H.R. 12255
H.R. 12345
H.R. 12365

B. EDUCATIONAL ASSISTANCE ALLOWANCES

1. Split Payments for Tuition and Subsistence

There are four proposals to return to the WW II GI Bill system of administering veterans' educational and training assistance. A return to this system would provide for *separate* allowances for tuition (including fees and other necessary expenses) and monthly subsistence expenses, rather than the present system which provides a 'lump sum' to cover both tuition and living costs. All four bills provide a substantial increase in the amount of assistance provided for veterans in programs of education and training.

S. 1918 (with amendment no. 584)

This bill provides that Vietnam era veterans in any program of education and training shall receive the same assistance: tuition and fees up to $3000 per year and a subsistence allowance (if studying more than half-time) which varies by the number of dependents which the veteran has and the extent of his participation in the educational program. (This bill provides that the veteran may receive additional tuition assistance if he requests it, resulting in a reduction of the veteran's basic entitlement in proportion to the extra assistance received.) In a full-time program for example a single veteran would receive $214 monthly, and a veteran with one dependent $280. This bill also adjusts the subsistence allowance according to the cost-of-living changes as reflected by the Consumer Price Index each year, provides for a reduction in the subsistence allowance when a veteran is working and receiving pay, and extends the maximum limit on assistance by 12 months, to 48 months.

S. 2163 (Identical to H.R. 9609, 9627, 10043, 10044, 10224, 12052, 10432, 10603, 10648)

"The Vietnam Veterans Act of 1972".—This bill provides for educational assistance equal to the cost of tuition (up to $100 per year) for veterans studying in institutional or cooperative programs. The bill also provides subsistence allowances for those in an institutional program who are studying more than half-time which are equal to the present "lump sum" payments. These subsistence payments also vary with the number of dependents and the extent of participation in the education or training programs. This bill would combine farm and non-farm cooperative programs, providing subsistence allowances for non-farm cooperative veteran-trainees at the rates for full-time farm cooperative payments. The rates for farm cooperative subsistence allowances remain the same as the present "lump sum" allowances. The provisions relating to educational assistance for those on active duty or studying exclusively by correspondence, or studying on a less-than-half-time basis are retained from the present system.

H.R. 9824 (identical to H.R. 12255, H.R. 12074, S. 1918 without amendment no. 584)

This bill provides, for veterans who have served in the Indochina Theatre of Operations during the Vietnam era, in any program of education or training, up to $3000 per year to cover tuition and fees, and a variable subsistence allowance (for those studying more than half-time). There is included a provision for the reduction of the subsistence allowance when a veteran is receiving compensation for work or time spent in an on-the-job training program.

H.R. 10504 (Identical to H.R. 12365)

"Veteran's Readjustment Benefits Act of 1971".—This bill provides for educational assistance to pay for the cost of tuition (up to $1000 per year) for veterans studying in an approved educational or training institution. This bill provides that a veteran may receive more than $1000 if he requests it, resulting in reduced entitlement in proportion to the extra assistance given. It also provides subsistence allowances for those in a program studying more than half-time, there are slight changes in these rates from the present "lump sum" rates. Those in a non-farm cooperative program are to be given subsistence payments equal to full-time farm-cooperative subsistence payments. The rates for both farm and non-farm cooperative subsistence payments are slightly increased from the present "lump sum" assistance rates. This bill also provides a quarterly review of the cost-of-living increase as reflected in the Consumer Price Index, such that if the increase in a calendar quarter is greater than 3%, subsistence rates shall be increased proportionally.

2. Increases in "Lump Sum" Educational Assistance Allowances

S. 2161 (Identical to H.R. 11571).

"Veterans' Education and Training Assistance Act of 1971".—This bill authorizes a general increase in the amount of educational assistance allowance given to veterans in all types of educational training courses. A single veteran in a full-time course will now receive $220 as opposed to the present $175. The allowances for those with dependents are increased proportionally. The allowances for farm cooperative, cooperative, and apprenticeship, or on-the-job training are also increased. Those who are receiving allowances based on study, while on active duty, by correspondence only, or on less than a half-time basis also receive an increase from $175 maximum to $220 maximum. The bill also provides increases in assistance allowances for those in the vocational rehabilitation programs, and those receiving assistance under the War Orphans' and, Widows Educational Assistance Act.

H.R. 3351

This bill provides increases in monthly assistance to those pursuing a program of "farm cooperative" training. It also provides greater emphasis on supervised work experience as a criterium of an approved course of "farm cooperative" training.

H.R. 9779

This bill provides increases for institutional, cooperative, farm cooperative, training educational assistance allowances based on the rates applicable in December 1971 multiplied by 59.1 percent. Educational assistance allowances for apprenticeship or on-the-job training will be increased on the basis of the rates payable in January 1971 multiplied by 59.1 percent. The rates for allowances for those studying while on active duty, less than half-time, or exclusively by correspondence increases from $175 maximum to $277 maximum. This bill also provides for increases in allowances for those receiving assistance under the War Orphans' and Widows' Educational Assistance Act which are proportional to those increases given to veterans. It also provides for an automatic increase in the educational assistance allowance proportionate to any increase in the Federal minimum wage.

H.R. 10168

This bill provides increases in the more than half-time institutional educational assistance allowances and in the cooperative program assistance allowances. The payment for a single veteran in a full-time institutional program increases from $175 to $210. The bill adds several new provisions such that those receiving educational assistance for nonvocational apprenticeship or on-job training shall be reimbursed for the expense of their necessary textbooks. Another provision which would be added is the annual adjustment of the educational assistance allowances for non-vocational apprenticeship, or on-the-job training, on the basis of the change in the cost of tuition and in the cost-of-living. This bill also extends the maximum limit of assistance by 12 months to 48 months.

H.R. 10169

Increases the educational assistance allowance to those in a course of vocational rehabilitation. A single veteran receiving full-time institutional training would under this bill receive $162 per month rather than the present allowance of $135 per month. This bill also provides for the yearly adjustment of these allowances on the basis of the changes in the cost-of-living for the preceding calendar year.

H.R. 11954 (Identical to 12345)

"Veteran's Education and Training Amendments of 1971".—This bill makes three major changes in the present system of educational benefits: (1) rate increases, (2) advance educational assistance payments, (3) program adjustments.

The rate increases affect those in programs of vocational rehabilitation, institutional, cooperative, farm cooperative, apprenticeship, on-the-job training, flight training, active duty (including PREP), and those receiving assistance under the War Orphans' and Widows' Educational Assistance Act.

A single veteran in a full-time institutional program would receive under the provisions of this bill, $190 monthly, three-fourths-time $139, half-time $88. The assistance for flight training, correspondence courses, less than half-time, active duty training (including PREP) and for widows are increased by the same proportion as the rate for a single veteran in full-time institutional study.

Advance Vocational Rehabilitation and Education allowance payments are designed to provide assistance at the beginning of the semester to meet the extra expenses which arise at that time. At present a veteran must first enroll, then apply for assistance which is paid for the month in which he has pursued his studies. The bill would authorize payments on the basis of acceptance into an approved program and in advance of the month in which the studies are pursued. Thus, a veteran beginning study in September would receive, at the beginning of that month, payment for whatever fraction of September he was in school plus his October assistance. The subsequent payments would also be paid in advance. This program would affect those in vocational training, institutional training (more than half-time) and widows and war orphans in similar programs. Provisions are added which would extend authority for the VA to hire veteran-students in full-time programs for part time work.

Further provisions are made for adjustments in the present system of educational assistance. These include: (1) the creation of an intermediate application step to include counseling by a service education officer, (2) changing the "two year" rule that prohibits enrollment in a school less than two years old, such that if a school has moved outside the general locality but retains the same faculty curriculum, and students, and the course has been offered for more than two years, enrollment would be authorized, (3) change in the administration of correspondence courses, such that the administration is the same as that for flight training in that, assistance should be based on *90 percent of total cost*, rather than on total cost as is currently provided, (4) approved institutions of correspondence study would be required to have a pro-rata refund policy based on the number of lessons serviced, (5) a revision is made in PREP—changing its name from "Predischarge" to "Preparatory" Education Program, (6) changes would be made to authorize correspondence and training courses for war orphans and widows. The change in the "two year" rule would also apply to widows and war orphans, as would training for the educationally disadvantaged, (7) those receiving aid for half-time study under the War Orphans' and Widows' Act would receive their benefits under the same system as veterans.

C. NEW PROGRAMS

The following bills add new programs to the system of veterans, educational benefits, some of the bills also provide changes in existing programs and therefore are cross-referenced under different topics. (See also advance payments, H.R. 11954, widows and orphans, H.R. 5188, 7668.)

S. 740—"Veterans' Advance Educational Payment and Work-Study Act of 1971"

This bill would provide three major new proposals: alteration of the payment of allowances under an "Advance Payment" plan, eduation and training under a "Work-Study" plan, and the repayment of Federal educational loans by accelerated assistance allowances.

(1) *Advance payment of educational assistance allowances.*—This program is designed to provide additional funds at the beginning of the school term to meet special expenses which arise at that time. The new system is optional and would be available for those pursuing half-time study or more. The established criteria for course work still apply. The advance payment would be equivalent to the payment for the month in which the program begins plus the payment of the following month. The succeeding payments would also be in advance form. In order to receive advance payments the veteran must provide evidence of enrollment or acceptance and intent to enroll in an approved course of education, specifying the starting date of study and the number of credit hours, and the number of dependents claimed. Those in less than half-time status, or in correspondence or flight training are not eligible for advance payments. The present provisions provide that those in less than half time receive a lump sum for the entire course one month after certification of enrollment is received.

(2) The work-study program is essentially a VA sponsored part-time job program. The program would provide advance payment for the promise of work during the semester or term, the payment being pro-rated on the number of work hours promised. Those pursuing full-time vocational rehabilitation and those pursuing any other program of approved education or training would be eligible for this program. In order to determine the number of student-veterans whose services can effectively be used, the VA is to take a yearly survey of geographical areas. The choice of applicants will be made by the institutions and the VA in conjunction. The bill specifies several factors which would govern the determination of which eligible student-veterans shall be offered the work-study agreements: need, availability of transportation, motivation, and in the case of a veteran who is a minority member, the disadvantages incurred by members of such a group, in the case of a disabled veteran, the compatability of his physical condition with the work assignment.

(3) *Repayment of Federal educational loans.*—The bill also provides that a veteran may credit unused educational entitlement to reduce or pay off his indebtedness for an educational loan made, insured, or guaranteed by the Federal government. The loan must have been made after April 29, 1970 for education pursued prior to the veteran's performance of active duty service. The veteran may apply to have his educational assistance accelerated on the basis of unused entitlement earned after June 30, 1970. The payment of an accelerated allowance can be made no more than four times per loan, but will be made in the amount which the veteran determines is most advantageous to him, within his entitlement. These payments will be deducted from the veterans entitlement such that for every $190 paid the veteran will have 1 month less available educational assistance allowance.

This bill makes further changes in that it provides for the extension of the requirement that certification of enrollment and attendance must be submitted to the VA before assistance is paid, to apprenticeship and on-the-job and flight training. At the present time this provision only applies to correspondence courses.

This bill also provides changes in the War Orphans' and Widows' Educational Assistance Act such that persons entitled to benefits under such Act would also be entitled to receive advance educational payments.

S. 2666 (*Identical to H.R. 11922*)

This bill would provide for VA support (in grants and other forms) for the creation of a full-time veterans' advisory and assistance officer at any institution of higher education to counsel and advise veterans on education and career guidance. This bill would also provide a new trial program under which the VA would make grants to institutions of higher education to provide a one-year probationary enrollment for veterans who have a high school diploma but are academically deficient under standard entrance criteria.

S. 2744—"Servicemen's and Veteran's Education, Training and Job Assistance Act of 1971"

This bill provides for new programs to counsel and train both those on active duty and those who have been discharged. This act is divided into five titles; (1) The Charter of Economic Opportunity, (2) Job Training, (3) Job Placement, (4) Predischarge Education Program, (5) General Provisions.

(1) *The Charter of Economic Opportunity.*—Provides that every member of the Armed Forces is entitled to receive; a high school education, the opportunity to take refresher or preparatory courses, to facilitate a change from military service to some form of training, training for a skilled civilian job, and assistance in securing a job after discharge. This title also provides that the Department of Defense would provide trained counselors to individually advise every member as to the opportunities afforded them by this act and/or how to most effectively benefit from these opportunities. The Department of Defense would establish regional academies to provide those members of the Armed Forces and veterans who do not have a high school diploma the opportunity to receive one. These academies are to use existing facilities of military installations whereever possible. Those receiving such education would not be charged and would be provided with room and board as long as he pursued his course of training satisfactorily.

(2) *Job Training.*—This Title would provide training to enable members to obtain skilled or semi-skilled jobs after discharge or release from active duty. This training is to be given in areas in which there is expected to be a civilian demand. This training is to be given through agreements with businesses, labor organizations, or any private persons or government agency.

In order to be eligible the veteran must apply within one year of the enactment or 120 days after his discharge or release from active duty. No member or veteran would be charged for this training and room, board and transportation of those pursuing the program shall be paid. Those receiving training are also to receive a monthly subsistence allowance.

After completing the course of training the veteran or member would be rated as to employability. Any employer who hires a member or veteran who has been trained in this program would be entitled to a subsidy of 50 percent of the trainee's wages, the length of the subsidy is dependent upon the trainee's employability rating. This subsidy is not to exceed $1,000 for three months of employment.

(3) *Job Placement.*—This title would require the Department of Defense to collect and maintain current information regarding employment opportunities throughout the Nation. This information shall be made available to all members of the Armed Forces prior to their discharge and shall be made available to veterans upon request. The Department of Defense would be responsible for encouraging potential employers to visit military installations to interview and recruit members for civilian employment.

(4) *Predischarge Education Programs.*—This section states that it is the intent of Congress that the Secretary of Defense encourage and assist the members of the Armed Forces in preparing for their future education, training, or vocation by providing them with an opportunity to enroll in and pursue a program of education prior to their discharge or release from active duty. (This is a continuation of the PREP program which is already in existence.) The Department of Defense shall encourage all eligible members to take advantage of the programs offered to the maximum extent offered.

(5) *General.*—This section would provide that any member who has been serving in a combat zone shall be advised of the opportunities and assistance available to him at least 30 days prior to his discharge. Provides for the appointment of a Deputy Secretary of Defense for Education and Training and the appointment of an advisory committee to advise the Deputy Secretary of Defense. The Deputy Secretary would be required to submit a report within sixty days

of the appointment of the advisory committee setting forth specific actions to be taken to implement this act and an estimate of the funds necessary.

H.R. 6904 (Identical to S. 2063, H.R. 3349, 12241)

This bill authorizes the advance payment of educational assistance allowances for courses other than flight training, or correspondence training, on a more than half-time basis. The veteran would receive an advance payment equivalent to the payment for the month in which the program begins plus the payment for the following month. The subsequent payments will also be received in advance form. In order to receive advance payment, the veteran must send the VA proof of his acceptance or enrollment in a course of training.

H.R. 8266

A veteran may presently use his educational assistance entitlement to obtain a commercial pilot's license if he is already in possession of a private pilot's license. Under the provisions of this bill if the veteran uses his entitlement to obtain a commercial license under the procedure presently specified and has not used up his entitlement, after obtaining this license he is eligible to be reimbursed by the VA for the cost of the training he received in order to get his private pilot's license. The veteran is entitled to receive either (1) the amount equal to the actual costs incurred in training for his private pilot's license or (2) an amount equal to $175 for each month of his remaining entitlement whichever is the lesser.

D. CHANGES IN ENTITLEMENT ELIGIBILITY

[See also: entitlement limitation, S. 1918, H.R. 10168, eligibility, H.R. 5053, H.R. 10775]

S. 2660

This bill would provide that the term "wife" for the purpose of veterans' benefits would include the husband of any female veteran, and the term "widow" would include the widower of any female veteran. This would eliminate the current requirement that in order for a female veteran who is receiving an educational assistance allowance to receive the benefits applicable for one dependent (her husband) the husband must be permanently and totally incapable of self-support.

H.R. 232 (Identical to H.R. 2523, 4864)

This bill would enable any veteran who had served on active duty as a result of a callup of the reserves or of the National Guard after August 4, 1964 and who is an eligible veteran because of this duty, to count his initial military training (not more than six months) for the reserves or National Guard (if served after January 31, 1955) as active duty for the purpose of entitlement to educational benefits.

H.R. 298 (Identical to H.R. 6148)

This bill would enable any veteran who has served on active duty *in a combat zone* as a result of a callup of the reserves or of the National Guard after August 4, 1964 and who is an eligible veteran because of this duty, to count his initial military training (not more than six months) for the reserves or the National Guard (if served after January 31, 1955) as active duty for the purpose of entitlement of educational benefits.

H.R. 413

This bill would provide for up to eighteen months of additional educational assistance for graduate school study for those veterans who have received 36 months educational assistance under chapter 34, or 48 months educational assistance under chapter 35 of title 38 U.S.C. if the person has completed one year of graduate school. The bill would also extend the period after discharge during which benefits may be received.

H.R. 5052

This bill would enable a veteran who was previously trained under the provisions of the vocational rehabilitation program, and who has become ***unemployable due to technological changes in or affecting his occupation***, to be entitled to further vocational rehabilitation.

H.R. 7659

This bill increases the maximum entitlement for educational benefits from 36 months to 54 months, but only for those discharged after the enactment of the bill.

H.R. 8282 (*Identical to H.R. 9662, 10391, 10565*)

This bill would restore entitlement to educational assistance to veterans of World War II and the Korean conflict. Any such veteran who has not exhausted his entitlement would be given extended time in which to use it.

H.R. 9968

To permit a veteran who served on active duty during the Vietnam era to use his educational assistance during a ten year period rather than an eight year period as is currently applicable.

E. CHANGES IN THE WAR ORPHANS' AND WIDOWS' EDUCATIONAL ASSISTANCE ACT

[See also: increase in educational assistance payments; S. 2161, H.R. 9779, S. 740 equal criteria institutional vocational training, H.R. 8604]

H.R. 5053

This bill provides that the children of veteran with a service-connected disability of more than 50 percent but defined as less than total may receive some educational assistance. If the parent is defined as 60% disabled the child will receive 60% of the assistance given to those defined as War Orphans.

H.R. 5188

The provisions of this bill include the introduction of apprenticeship or on-the-job training as an approved course of instruction for War Orphans and Widows. The bill would provide a monthly assistance allowance of $108 in the first six-month period, $81 during the 2nd six-month period, $54 in the 3rd six-month period, and $27 during the fourth and any succeeding six-month period. The program would be run essentially the same as the apprenticeship, on-the-job training program for veterans.

H.R. 7668 (*Identical to H.R. 10774, 12251*)

This bill introduces a new program for widows and wives who are eligible to receive educational assistance under the War Orphans' and Widows' Educational Assistance Act. If the widow or wife has no secondary school diploma or is in need of additional secondary schools training to pursue a course of education to which she is entitled, the VA may approve the enrollment of these wives and widows under the War Orphans' and Widows' Educational Assistance Act. A further provision is that no enrollment in evening secondary school courses will be approved as more than half-time training.

H.R. 10775

This bill is designed to entitle widows of persons who die as a result of service-connected disabilities incurred in the Vietnam theatre of operations to enroll in a course of training exclusively by correspondence. The educational assistance allowance for such training would be computed on the basis of the established charges of the institution, and for each $130 paid for this program the widow's entitlement shall be reduced by one month.

F. CHANGES IN ADMINISTRATION

There are several bills which do not substantially change the system of veterans' educational benefits but which make minor changes in the administration of these benefits.

H.R. 8094 (*Identical to S. 1776, H.R. 9613, 9823, 12254*)

This bill extends the provisions defining acceptable absences from college level educational courses to make them applicable to non-college level education courses. This is designed to provide equal treatment for those enrolled in vocational education courses.

H.R. 8604 (*Identical to H.R. 6042*)

This bill provides for the application of the same criteria for determining acceptable absences from course work for both college and non-college level training courses. This bill also provides the same type of equalization for those receiving educational assistance under the War Orphans' and Widows' Assistance Act.

H.R. 9894

This bill would enable those enrolled in certain types of adult evening high school courses to be defined as "full-time" for the purpose of receiving educational benefits.

H.R. 11400 (Identical to H.R. 11552)

This bill provides that where an approved institution of higher education has moved location retaining the same faculty, curriculum, and students, and where in the opinion of the VA *the move was made for justifiable reasons* an eligible veteran may be enrolled in the institution. This would provide a further exception to the regulation that a veteran may not receive veterans educational benefits if enrolled in a school in existence less than two years.

H.R. 11534 (Identical to H.R. 11720)

This bill provides an exemption to the restriction that a veteran may not receive educational benefits when enrolled in an institution in operation less than two years, such that an institution which has moved but retained substantially the same faculty curriculum and students without a change in ownership.

H.R. 10605

This bill provides that if a veteran transfers between terms from one approved institution to another approved institution and remains in essentially the same course of study, his educational assistance allowance will be continued so that there will be no break in payments.

APPENDIX

BRIEF COMPARISON OF EDUCATIONAL AND TRAINING ASSISTANCE UNDER THE SERVICEMEN'S READJUSTMENT ACT OF 1944, AS AMENDED; THE VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952, AS AMENDED; AND THE VETERANS' READJUSTMENT BENEFITS ACT OF 1966, AS AMENDED

Subject	World War II GI bill	Korean war GI bill	Cold war GI bill
Statement of purpose	To provide Federal Government aid for readjustment in civilian life of returning World War II veterans (quoted from title of the act; no explicit statement of purpose).	To provide vocational readjustment and restore lost educational opportunities to servicemen and women whose vocational ambitions were interrupted or impeded by reason of active duty during a period of national emergency; and to help such persons in attaining the educational training status they might have obtained had they not served their country.	To enhance and make more attractive service in the Armed Forces of the United States; to extend the benefits of a higher education to qualified and deserving young persons who might not otherwise be able to afford such an education; to provide vocational readjustment and restore lost educational opportunities to those servicemen and servicewomen whose careers have been interrupted or impeded by reason of active duty after Jan. 31, 1955; and to aid such persons in attaining the vocational and educational status which they might normally have aspired to and obtained had they not served their country.
Qualifying service period	Sept. 16, 1940, through July 25, 1947 (termination of World War II).	June 27, 1950, through Jan. 31, 1955. For persons on active duty on Jan. 31, 1955, the qualifying period was from June 27, 1950, until the date of the person's first discharge or release from active duty occurring after Jan. 31, 1955.	After Jan. 31, 1955.
Definition of eligible veteran	An individual who, during the qualifying period (1) served 90 days or more on active duty and was discharged under conditions other than dishonorable; or (2) served on active duty for less than 90 days and was discharged for a service-connected disability; and (3) was not over age 25 at the time he entered the service; or (4) whose education or training was impeded, delayed, interrupted, or interfered with by reason of his service. No individuals still on active duty were eligible to receive assistance. The qualifying period was computed exclusive of any period of time the individual was assigned to a course of education or specialized training while in the Armed Forces.	An individual who, during the qualifying period (1) served 90 days or more on active duty and was discharged under conditions other than dishonorable; or (2) served on active duty and was discharged for a service-connected disability. No individuals still on active duty were eligible to receive assistance. The qualifying period was computed exclusive of any period of time the individual was assigned to a course of education or specialized training while in the Armed Forces.	An individual who (1) has served on active duty for a period of more than 180 days, some part of which occurred after Jan. 31, 1955, and has been discharged under conditions other than dishonorable; or (2) has been discharged from active duty, after Jan. 31, 1955, for a service-connected disability. An individual, while still in the Armed Forces is also eligible after the individual has served continuously for at least 2 years. The qualifying period is computed exclusive of any period of time the individual was assigned to a course of education, specialized training, or "active duty for training" in the Armed Forces.

BRIEF COMPARISON OF EDUCATIONAL AND TRAINING ASSISTANCE UNDER THE SERVICEMEN'S READJUSTMENT ACT OF 1944, AS AMENDED; THE VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952, AS AMENDED; AND THE VETERANS' READJUSTMENT BENEFITS ACT OF 1966, AS AMENDED—Continued

Subject	World War II, GI bill	Korean war GI bill	Cold war GI bill
Duration of education and training entitlement..	1 year of education or training plus the length of service during the qualifying period, less the period of education or specialized training while in service. The total entitlement was not to exceed 4 years or the equivalent in continuous part-time study.	1½ times the duration of the veteran's active duty service during the qualifying service period, with a maximum entitlement of 36 months. Veterans who had accrued entitlement under other acts could receive a maximum combined period of entitlement of 48 months. Any period of education or specialized training an individual was assigned to while in the Armed Forces was not considered in computing the period of entitlement.	1½ months of full-time education for each month, or parts thereof, of active duty not to exceed 36 months. Veterans who have accrued entitlement under more than 1 education program under this act may receive a maximum combined period of entitlement of 48 months. Any period of education or specialized training an individual is assigned to while in the Armed Forces is not considered in computing the period of entitlement. The entitlement period is prorated for individuals pursuing less than a full-time course of study.
Commencement and time limitations on educational and training programs.	An eligible veteran had to begin his educational or training program within 4 years after his discharge or prior to July 26, 1951 (4 years after the termination of World War II), whichever was later. He had to complete his education or training program before July 26, 1956 (9 years after the termination of World War II).	An eligible veteran had to begin his education or training program within 3 years after his discharge or release from active duty. He had to complete his program within 8 years after his discharge or release from active duty.	No mandatory commencement period. An eligible individual must use his entitlement within a period of 8 years, to be counted from (1) the date of last discharge or release from active duty after Jan. 31, 1955; or (2) June 1, 1966, whichever is later.
Allowable programs of education and training...	Any full-time or part-time course of study or training at an approved educational or training institution which accepted or retained the eligible veteran. Educational or training institutions included public or private elementary, secondary, and other		

	schools furnishing education for adults, business schools and colleges, scientific and technical institutions, colleges, vocational schools, universities, and other educational institutions, and business or other establishments providing apprentice or other training on the job or any State or Federal apprenticeship training agency. Correspondence courses were also included under certain conditions.		
Allowable programs of education and training		Any unit or course of study necessary for the attainment of a predetermined and identified educational, professional, or vocational objective, which could be pursued in (1) an educational institution (elementary school, secondary school, vocational school, correspondence school, business school, junior college, teachers college, college, normal school, professional school, university, scientific or technical institution, or other adult education institution); or (2) a training establishment (business or other establishments which, either independently or in cooperation with colleges, universities, or government agencies provide apprentice or other training on the job). Correspondence courses and flight training were also included with certain conditions.	Any unit or course of study which is necessary for the attainment of a predetermined and identified educational, professional, or vocational objective, and which may be pursued in a secondary or postsecondary educational institution. Assistance is provided in obtaining college-level, including graduate and postgraduate, as well as below-college-level education, and education in trade, vocational, and technical schools, flight training (under certain circumstances), on-the-job training, and farm cooperative training. Education may be pursued through correspondence courses (under certain circumstances), and part-time education is permitted. A predischarge education program (PREP) is provided for those not yet discharged from the armed services. Special assistance to enable eligible veterans to obtain a high school diploma or take refresher or remedial courses is also provided.

WORLD WAR II GI BILL

		Basic monthly assistance payment rates—		
		Number of dependents		
Subject	Type of program	None	1	More than 1
Amount of educational or training assistance.	Full-time institutional training	$75	$105	$120
	Part-time courses and courses for which the individual received compensation for productive labor (such lesser sums, if any, as subsistence or dependency allowances as may be determined by the Administrator).			
	Other courses of education or training	65	90	90
	The basic monthly assistance payments were supplemented with up to $500 per year that could be paid by the Veterans Administration for tuition and other school fees. The tuition and other school fees payment was not payable to establishments furnishing apprentice on-the-job training. Payments for correspondence study were computed on the basis of established costs for the course of study and did not include the monthly subsistence payments.			

KOREAN GI BILL

		Basic monthly assistance payment rates—		
		Number of dependents		
Subject	Type of program	None	1	More than 1
Amount of educational or training assistance.	Institutional:			
	Full time	$110	$135	$160
	¾ time	80	100	120
	½ time	50	60	80
	Institutional and on-the-job training combined.	90	110	130
	Apprentice or other on-the-job training.	70	85	105
	Institutional on-farm training	95	110	130
	Payments for apprentice or other on-the-job training and for institutional on-farm training were subject to reduction as training progressed. Payments for correspondence study, flight training, and institutional study on less than ½-time basis were computed in each instance on the basis of established charges involved.			

COLD WAR GI BILL

		Basic monthly assistance payment rates—			
		Number of dependents			Each dependent above 2
Subject	Type of program	None	1	2	
Amount of educational or training assistance.	Institutional:				
	Full time	$175	$205	$230	$13
	¾ time	128	152	177	10
	½ time	81	100	114	7
	Cooperative (full-time institutional training with training in business or industrial establishment supplemental).	141	167	192	10
	Training assistance allowances paid under apprenticeship or other on-the-job training programs are paid according to the period of time the eligible individual is enrolled.				

COLD WAR GI BILL—Continued

Subject	Period of training	Number of dependents		
		None	1	2 or more
Amount of educational or training assistance.	1st 6 months	$108	$120	$133
	2d 6 months	81	92	105
	3d 6 months	54	66	79
	4th and any succeeding 6-month periods.	27	39	52

COLD WAR GI BILL

Subject	Allowances for farm cooperative training—				
	Basis	Number of dependents			
		None	1	2	More than 2 [1]
Amount of educational or training assistance.	Full time	$141	$165	$190	$10
	¾ time	101	119	138	7
	½ time	67	79	92	4
	The rate for persons on active duty or those pursuing a program less than ½ time is computed at the rate of established charges for tuition and other fees required of nonveteran students or $175 per month for a full-time course, whichever is less. The rate for persons pursuing flight training is computed at the rate of 90 percent of the established charges for tuition and other fees required of nonveteran students and the veteran is charged 1 month off his total entitlement for each $175 paid to him for his flight course. The rate for correspondence courses is computed on the basis of the established charges for tuition and other fees required of nonveteran students and the veteran is charged 1 month off his total entitlement for each $175 paid to him for his correspondence course.				

[1] The amount provided for 2 plus the following for each dependent above 2.

Chairman HARTKE. The numbers of veterans who entered training broken down by State for World War II, Korean conflict, and the Vietnam-era programs are shown in the following tables:

(The above-mentioned tables follow:)

NUMBER OF VETERANS OF WORLD WAR II WHO ENTERED TRAINING IN EACH STATE [1]

			Type of training			
State or Territory	Veterans of world War II [2]	Total entered training [3]	Institutions of higher learning	Schools below college level	Institutional on-farm	On-the-job
Total [4]	15, 411, 000	7, 800, 000	2, 200, 000	3, 500, 000	700, 000	1, 400, 000
Alabama	253, 000	171, 000	32, 300	70, 000	30, 000	38, 700
Alaska	9, 000	5, 700	1, 000	4, 000	400	300
Arizona	79, 000	39, 200	11, 700	17, 800	2, 100	7, 600
Arkansas	156, 000	102, 500	17, 500	33, 300	32, 700	19, 000
California	1, 253, 000	580, 800	216, 500	261, 600	13, 900	88, 800
Colorado	110, 000	87, 000	37, 000	25, 000	7, 000	18, 000
Connecticut	205, 000	87, 600	28, 700	34, 700	500	23, 700
Delaware	29, 000	11, 200	3, 600	6, 100	400	4, 100
District of Columbia	105, 000	99, 100	39, 300	49, 300	0	10, 500
Florida	308, 000	171, 200	38, 300	88, 800	11, 400	32, 700
Georgia	290, 000	191, 000	31, 400	77, 400	28, 000	51, 200
Hawaii	39, 000	16, 600	3, 500	11, 300	300	1, 500
Idaho	55, 000	33, 000	7, 000	11, 000	7, 000	8, 000
Illinois	935, 000	442, 600	140. 800	207, 300	31, 800	62, 700
Indiana	398, 000	161, 400	54, 600	66, 400	16, 200	24, 200
Iowa	220, 000	111, 000	31, 200	30, 200	21, 000	28, 600
Kansas	185, 000	87, 700	29, 700	23, 900	10, 600	23, 500
Kentucky	245, 000	114, 000	24, 000	38, 500	27, 500	24, 000
Louisiana	239, 000	155, 000	30, 700	90, 600	16, 400	17, 300
Maine	83, 000	38, 700	6, 200	14, 300	2, 400	15, 800
Maryland	242, 000	121, 900	35, 500	59, 900	2, 700	23. 800
Massachusetts	527, 000	246, 400	92, 100	101, 800	500	52, 000
Michigan	681, 000	275, 000	88, 500	140, 800	12, 000	33, 700
Minnesota	297, 000	142, 700	44, 500	51, 300	18, 800	28, 100
Mississippi	162, 000	119, 000	26, 000	44, 000	30, 000	19, 000
Missouri	387, 000	227, 500	51, 500	95, 200	35, 700	45, 100
Montana	59, 000	28, 900	7, 600	8, 800	5, 000	7, 500
Nebraska	119, 000	65, 500	16, 500	17, 600	12, 100	19, 300
Nevada	18, 000	7, 700	2, 200	3, 700	400	1, 400
New Hampshire	55, 000	23, 300	5, 400	8, 800	1, 000	8, 100
New Jersey	555, 000	209, 600	56, 600	123, 300	2, 700	27, 000
New Mexico	72, 000	37, 400	11, 000	15, 200	3, 800	7, 400
New York	1, 598, 000	790, 000	263, 000	426, 000	9, 000	92, 000
North Carolina	338, 000	197, 900	34, 300	65, 700	49, 100	48, 800
North Dakota	48, 000	22, 800	6, 600	4, 600	5, 300	6, 300
Ohio	858, 000	383, 100	123, 900	170, 800	19, 500	68, 900
Oklahoma	214, 000	135, 000	40, 000	38, 000	28, 000	29, 000
Oregon	166, 000	77, 000	27, 000	31, 000	5, 000	14, 000
Pennsylvania	1, 164, 000	587, 700	134, 500	327, 800	13, 200	112, 200
Puerto Rico	54, 000	43, 600	51, 000	36, 000	1, 200	1, 300
Rhode Island	94, 000	32, 800	12. 300	12, 800	300	7, 400
South Carolina	163, 000	102, 000	16, 400	49, 400	25, 200	11, 000
South Dakota	57, 000	25, 500	6, 600	6, 500	6, 500	5, 900
Tennessee	299, 000	203, 000	37, 000	80, 000	41, 000	45, 000
Texas	774, 000	453, 000	137, 300	200, 400	47, 200	68, 100
Utah	72, 000	46, 000	19, 300	13, 500	4, 000	9, 200
Vermont	32, 000	16, 000	4, 000	4, 200	1, 800	6, 000
Virginia	302, 000	116, 300	27, 600	42, 500	15, 600	30, 600
Washington	230, 000	110, 900	39, 000	51, 600	5, 000	15, 300
West Virginia	190, 000	73, 600	18, 400	28, 200	6, 600	20, 400
Wisconsin	307, 000	131, 600	45, 200	40, 400	12, 800	33, 200
Wyoming	28, 000	14, 400	4, 000	4, 600	3, 000	2, 800

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[1] Totals and other data rounded.

[2] March 1955.

[3] April 1955 source data show VA regional office having current jurisdiction of veterans' records. Distribution by State estimated from foregoing.

[4] Includes veterans residing in foreign countries, not identified below.

NUMBER OF KOREAN VETERANS IN EACH STATE WHO ENTERED TRAINING, CUMULATIVE THROUGH JAN. 31, 1965

State	Total entered training	Type of training			
		Institutions of higher learning	Schools below college level	Institutional onfarm	On the job
Total	2,390,700	1,213,400	860,300	94,500	222,500
United States—State total	2,345,400	1,201,300	827,400	94,500	222,200
Alabama	61,300	21,600	34,600	1,200	3,900
Alaska	1,600	500	1,000	[1]	[1]
Arizona	16,700	11,000	4,100	100	1,500
Arkansas	23,200	9,500	6,400	4,300	3,000
California	245,300	171,200	56,100	1,000	17,000
Colorado	29,800	18,800	6,500	1,000	3,400
Connecticut	29,900	15,000	9,400	[1]	5,500
Delaware	3,900	1,900	1,200	[1]	800
District of Columbia	35,400	17,300	15,400	[1]	2,700
Florida	71,000	29,000	36,300	700	5,000
Georgia	65,800	23,300	34,900	2,100	5,500
Hawaii	7,700	2,500	3,900	100	1,200
Idaho	8,100	3,700	2,700	700	1,000
Illinois	119,700	63,400	38,200	7,600	10,500
Indiana	51,200	27,100	16,400	3,200	4,500
Iowa	32,700	15,200	6,000	8,100	3,400
Kansas	23,100	15,300	4,500	2,000	1,300
Kentucky	34,100	13,700	12,900	4,000	3,500
Louisiana	46,500	16,800	25,800	1,300	2,600
Maine	8,400	3,200	2,900	[1]	2,300
Maryland	29,600	16,300	9,000	300	4,000
Massachusetts	75,400	37,900	27,600	[1]	9,900
Michigan	79,300	44,500	28,500	1,100	5,200
Minnesota	52,900	23,000	16,500	6,800	6,600
Mississippi	28,100	18,400	6,600	1,500	1,600
Missouri	63,100	27,500	24,900	4,900	5,800
Montana	8,200	4,800	1,400	300	1,700
Nebraska	23,400	9,200	5,100	6,300	2,800
Nevada	2,200	1,500	400	0	300
New Hampshire	6,400	2,600	2,400	[1]	1,400
New Jersey	55,000	28,200	19,900	[1]	6,900
New Mexico	14,000	7,300	5,300	200	1,200
New York	202,000	110,300	72,900	200	18,600
North Carolina	61,600	22,000	20,800	8,400	10,400
North Dakota	10,500	5,300	3,000	1,300	900
Ohio	95,900	52,200	32,300	1,500	9,900
Oklahoma	41,500	25,400	12,100	1,500	2,500
Oregon	21,400	13,200	6,400	300	1,500
Pennsylvania	144,200	63,100	65,800	600	14,700
Rhode Island	12,300	5,600	4,800	[1]	1,900
South Carolina	31,300	8,700	18,500	1,300	2,800
South Dakota	12,200	5,400	1,700	4,000	1,100
Tennessee	51,900	22,300	18,400	5,100	6,100
Texas	140,200	79,300	52,000	3,900	5,000
Utah	19,900	13,200	5,000	400	1,300
Vermont	4,000	1,600	800	300	1,300
Virginia	35,500	13,600	12,100	3,000	6,800
Washington	40,000	23,200	13,500	200	3,100
West Virginia	22,100	11,000	6,500	500	4,100
Wisconsin	42,700	22,600	13,600	2,700	3,800
Wyoming	3,200	2,100	300	400	400
Puerto Rico and Virgin Islands	42,400	9,500	32,700	[1]	200
Foreign—Total	2,900	2,600	200	------------	100

[1] Less than 50.

Note: Total number of Korean veterans eligible for training are 5,867,000.

PARTICIPATION RATE FOR VIETNAM-ERA VETERANS BY STATE AND TYPE OF TRAINING

[Through November 1971]

State	Veteran population (thousands)	Trainees						
		Number	Percent of veteran population					
			Total	IHL	BCL	OJT	Correspondence [1]
Total [2]	5,524	2,101,956	38.1	21.2	13.6	3.3	7.2
Alabama	86	28,357	33.0	17.0	14.2	1.8	3.3
Alaska	8	2,304	28.8	17.2	9.9	1.7	3.7
Arizona	46	23,506	51.1	33.7	13.0	4.4	5.6
Arkansas	40	14,392	36.0	20.2	12.7	3.1	4.1
California	598	282,622	47.3	34.8	9.6	2.9	4.0
Colorado	59	29,004	49.2	29.5	16.8	2.9	8.4
Connecticut	81	25,627	31.6	17.9	8.4	5.3	4.6
Delaware	16	4,580	28.6	17.7	7.1	3.8	4.3
District of Columbia	24	9,143	38.1	20.1	12.9	5.1	2.9
Florida	182	69,339	38.1	23.9	11.3	2.9	4.2
Georgia	97	41,970	43.3	20.0	20.4	2.9	4.8
Hawaii	19	10,070	53.0	30.8	13.9	8.3	5.7
Idaho	23	7,202	31.3	21.7	7.7	1.9	4.9
Illinois	302	88,635	29.3	16.4	9.3	3.6	4.9
Indiana	149	38,433	25.8	12.3	10.5	3.0	6.8
Iowa	77	22,132	28.7	16.1	10.4	2.2	5.0
Kansas	56	22,421	40.0	24.9	13.4	1.7	5.7
Kentucky	81	19,838	24.5	12.6	9.8	2.1	4.9
Louisiana	90	27,549	30.6	16.5	11.3	2.8	3.4
Maine	30	7,720	25.7	13.1	9.5	3.1	5.4
Maryland	102	35,578	34.9	21.1	10.2	3.6	4.7
Massachusetts	151	46,784	31.0	18.8	9.1	3.1	3.7
Michigan	249	79,303	31.8	18.3	9.6	3.9	5.4
Minnesota	116	42,290	36.5	18.8	13.6	4.1	4.4
Mississippi	39	11,387	29.2	18.2	9.2	1.8	3.4
Missouri	128	41,317	32.3	18.3	10.9	3.1	4.7
Montana	19	7,860	41.4	26.7	11.2	3.5	4.7
Nebraska	38	15,143	39.9	22.0	13.0	4.9	5.1
Nevada	13	4,736	36.4	20.1	13.5	2.8	6.7
New Hampshire	22	6,683	30.4	16.6	9.0	4.8	5.6
New Jersey	192	49,401	25.7	14.1	8.9	2.7	3.7
New Mexico	30	12,362	41.2	25.2	13.9	2.1	4.4
New York	455	132,680	29.2	16.9	7.5	4.8	3.5
North Carolina	107	38,920	36.4	19.4	11.8	5.2	4.4
North Dakota	19	6,784	35.7	22.3	11.4	2.0	4.2
Ohio	315	79,009	25.1	13.4	9.0	2.7	5.4
Oklahoma	68	28,205	41.5	26.5	12.9	2.1	3.7
Oregon	67	25,719	38.4	27.6	8.8	2.0	4.3
Pennsylvania	346	97,808	28.3	13.5	11.1	3.7	5.7
Rhode Island	22	9,208	41.9	23.6	14.5	3.8	6.4
South Carolina	54	20,877	38.7	18.0	16.6	4.1	4.6
South Dakota	17	5,677	33.4	20.1	11.4	1.9	5.5
Tennessee	100	33,674	33.7	18.5	12.4	2.8	4.8
Texas	270	104,460	38.7	24.4	12.2	2.1	5.2
Utah	29	11,966	41.3	31.0	8.8	1.5	5.8
Vermont	14	3,117	22.3	11.2	6.9	4.2	4.3
Virginia	105	37,195	35.4	20.6	10.6	4.2	5.6
Washington	103	50,109	48.6	30.3	15.2	3.1	7.8
West Virginia	62	12,272	19.9	10.5	7.0	2.4	3.6
Wisconsin	135	40,104	29.7	16.1	10.6	3.0	5.8
Wyoming	10	3,546	35.5	25.4	7.5	2.6	4.7
Outside United States [3]	63	15,286	24.3	15.5	8.4	.4	1.3

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[1] The total includes 217,652 servicemen trainees. Since these servicemen are not distributed proportionately by State they are omitted from State comparisons.

[2] Correspondence trainees are already counted in IHL or BCL, as appropriate.

[3] Area includes Commonwealth of Puerto Rico, U.S. possessions and outlying areas, and foreign countries.

Chairman **Hartke**. We also have resolutions from the State of Idaho and from the Colorado Board of Veterans' Affairs which will be inserted into the record at this point.

(The resolutions follow:)

House of Representatives,
State of Idaho,
Boise, Idaho, March 13, 1972.

Senator **Vance Hartke**,
Chairman, Veterans' Affairs, U.S. Senate, Washington, D.C.

Dear Senator Hartke: I am directed by the Legislature of the State of Idaho to transmit to you House Joint Memorial No. 9, by Palmer.

A copy of the original of the Memorial is enclosed.

Respectfully,

Beth Fitzwater,
Chief Clerk.

IN THE HOUSE OF REPRESENTATIVES, HOUSE JOINT MEMORIAL NO. 9, BY PALMER

A JOINT MEMORIAL TO THE HONORABLE MEMBERS OF THE IDAHO CONGRESSIONAL DELEGATION AND TO THE CHAIRMEN OF VETERANS AFFAIRS COMMITTEES IN BOTH THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES IN CONGRESS ASSEMBLED

We, your Memorialists, the House of Representatives and Senate of the State of Idaho assembled in the Second Regular Session of the Forty-first Idaho Legislature, do respectfully represent that:

Whereas, in recognition of their service and sacrifice in the various wars of this country to protect the freedom of all men, it has been customary for a grateful nation to assist veterans in reconstructing their lives and furthering their opportunities; and

Whereas, despite increases in educational assistance payments authorized by the Veterans Education and Training Amendment Act of 1970, effective February 1, 1970, education expenses alone often exceed the monthly payment, leaving little or none of the allowance to meet living expenses.

Now, therefore, be it *Resolved by the Second Regular Session of the Forty-first Legislature of the State of Idaho, now in session the House of Representatives and Senate concurring,* That we respectfully urge the Congress of the United States to enact legislation that would authorize tuition payments and establish a Veterans Administration guaranteed and direct loan program for Vietnam Era veterans, in substantially the form reported by Resolution Number 342–71, Fifty-third National Convention of the American Legion, at Houston, Texas.

Be it further *Resolved,* That the Chief Clerk of the House of Representatives of the State of Idaho be, and she is hereby authorized and directed to forward certified copies of this Memorial to each member of the Idaho congressional delegation and to the chairmen of the Veterans Affairs Committees in both the House and Senate in the Congress of the United States.

U.S. Senate,
Committee on Appropriations,
Washington, D.C., March 13, 1972.

Hon. **Vance Hartke**,
Chairman, Senate Veterans' Affairs Committee, Washington, D.C.

Dear Mr. Chairman: I forward herewith two Resolutions from the Colorado Board of Veterans Affairs which are germane to your Committee's consideration of pending legislation regarding Veteran's vocational rehabilitation and educational benefits.

Best regards.

Sincerely yours,

Gordon Allott,
U.S. Senator.

RESOLUTION

Whereas, Public Law 89-358 was enacted by the Congress of the United States to provide educational benefits to veterans with active military service after January 31, 1955, and

Whereas, this law is similar in nature to both Public Law 346 and Public Law 550 which enactments provided educational benefits of World War II and the Korean Conflict, and

Whereas, the amount of educational assistance allowance provided veterans under Public Law 346 and Public Law 550 was sufficient to defray educational expenses during the periods they were in effect; and

Whereas, the amount of educational allowance provided veterans with service after January 31, 1955 is totally inadequate in view of today's high cost of living and increased tuitional requirements, and is not commensurate in current value with the amounts granted under Public Law 346 and Public Law 550; and

Whereas, many veterans are unable to take advantage of Public Law 89-358 because the amount of educational assistance allowance is not sufficient to enable them to enter or to remain in school; now, therefore, be it

Resolved, That the Colorado Board of Veterans Affairs petitions each member of the Colorado Delegation in the Congress of the United States requesting that they introduce or support legislation which would increase the amounts of educational assistance allowance granted to veterans with service after January 31, 1955, in order that veterans who qualify under Public Law 89-358 receive the same amount of educational assistance allowance in parity to that of earlier wars and in parity with today's high cost of living so as to encourage such veterans to pursue higher educational goals; be it further

Resolved, That a copy of this resolution be furnished to each member of the Colorado Delegation in the Congress of the United States.

BEN C. HARMON,
Chairman, Colorado Board of Veterans Affairs.

Attest:

PETER L. DYE,
Secretary Pro Tem,
Colorado Board of Veterans Affairs.

Adopted this 14th day of February 1972.

RESOLUTION

Whereas, Public Law 16, first session 78th Congress, approved March 24, 1943 amended Veterans Regulation No. 1(a) by adding thereto a new part, known as Part VII, and to provide a program of Vocational Rehabilitation for those veterans who had become vocationally handicapped as a result of disabilities incurred in wartime service who meet the requirement of a compensable service-connected disability, and

Whereas, following the outbreak of hostilities in Korea, Public Law 894, 81st Congress, was enacted on December 28, 1950, to provide the same benefits for service-connected disabled veterans of that conflict who also meet the requirement of a compensable service-connected disability, and

Whereas, Public Law 87-815, approved October 15, 1962, was passed to provide Vocational Rehabilitation Training benefits to certain service-connected disabled veterans whose disabilities arose out of service after World War II, and before the Korean Conflict, or after the Korean Conflict, and who are rated for compensation purposes at 30 percentum or more, or if less than 30 percentum are clearly shown to have caused a pronounced employment handicap; and

Whereas, veterans of the Vietnam Era whose disabilities arose out of service during the Vietnam Era are just as disabled and just as much in need of Vocational Rehabilitation as veterans of World War II and the Korean Conflict whose only requirement was that a compensable service-connected disability be shown; now, therefore, be it

Resolved, That the Colorado Board of Veterans Affairs petitions each member of the Colorado Delegation in the Congress of the United States requesting that they introduce and support legislation which would remove the requirement that a veteran whose disabilities arose after the Vietnam Era began must be rated for compensation purposes at 30 percentum or more and to allow these veterans to be placed on the same basis as the veteran of World War II and Korean Conflict, who were required only to have a service-connected disability; be it further

Resolved, That a copy of this resolution be furnished to each member of the Colorado Delegation in the Congress of the United States.

Ben C. Harmon,
Chairman, Colorado Board of Veterans Affairs.

Attest:

Peter L. Dye,
Secretary Pro Tem,
Colorado Board of Veterans Affairs.

Adopted this 14th day of February 1972.

Chairman Hartke. Finally a number of tables prepared by the Education and Public Welfare Division of the Congressional Research Service which compare levels of assistance under past current GI bill programs with changes in the consumer price index, average monthly earnings, and, increased cost of education will be inserted into the record at this point.

(The above-mentioned tables follows:)

CONSUMER PRICE INDEX CHANGES OVER SELECTED YEARS

[1967=100]

Year	CPI	Percent increase since—						
		1944	1945	1948	1952	1966	1967	1969
1944	52.7							
1945	53.9	2.3						
1948	72.1	36.8	33.8					
1952	79.5	50.8	47.5	10.3				
1966	97.2	84.4	80.3	34.8	22.3			
1967	100.0	89.7	85.5	38.7	25.8	2.9		
1969	109.8	108.3	103.7	52.3	38.1	13.0	9.8	
January 1972	123.2	133.8	128.6	70.9	55.0	26.7	23.2	12.2

Source: Economic Report of the President: January 1972 (table B-45. Consumer Price Indexes, by major groups, 1929–71. For urban wage earners and clerical workers); Consumer Price Index, January 1972 (compiled by the Bureau of Labor Statistics, U.S. Department of Labor. USDL 72-107—released Feb. 23, 1972).

CHANGES IN THE 9-MONTH EDUCATIONAL ASSISTANCE PAYMENTS TO VETERANS WITH NO DEPENDENTS OVER SELECTED YEARS

[In current and constant dollars]

Year	9-month payments		Change since (percent)— 1944		1945		1948		1952		1966		1967	
	Current[1] dollars	Constant[2] dollars	Current dollars	Constant dollars	Current dollars	Constant dollars	Current dollars	Constant dollars	Current dollars	Constant dollars	Current dollars	Constant dollars	Current dollars	Constant dollars
1944[3]	450	1,052												
1945[3]	585	1,337	30	27.1										
1948[3]	675	1,154	50	9.7	15.4	−13.7								
1952	990	1,534	120	45.9	69.2	14.7	46.7	32.9						
1966	900	1,140	100	8.4	53.8	−14.7	33.3	−1.2	−9.1	−25.7				
1967	1,170	1,441	160	37.0	100.0	7.8	73.3	24.9	18.2	−6.1	30.0	26.4		
1970 (current)	1,575	1,767	250	68.0	169.2	32.3	133.3	53.1	59.1	15.2	75.0	55.0	34.6	22.6

[1] Current dollar figures are payment rates according to the law enacted in that year.

[2] Constant dollar figures are the current dollar figures adjusted to reflect the percentage change in the Consumer Price Index between the year shown and January 1972.

[3] The payments indicated for these years were subsistence payments only. In later years, due to the change between the World War II program and later programs, the payments indicated are subsistence and tuition payments combined.

Note: This table refers to veterans who are full time and institutional.

COMPARISON OF AVERAGE MONTHLY EARNINGS TO MONTHLY EDUCATIONAL ASSISTANCE PAYMENTS TO VETERANS IN SELECTED YEARS—EDUCATIONAL ASSISTANCE PAYMENTS TO VETERANS

[Current dollars]

Year	Average monthly earnings[1]	No dependents: Monthly payment	No dependents: Percent of average monthly earnings	1 dependent: Monthly payment	1 dependent: Percent of average monthly earnings	2 dependents: Monthly payment	2 dependents: Percent of average monthlys earning
1944[2]	NA	$50		$75			
1945[2]	NA	65		90			
1948[2]	$212	75	35.4	105	49.5	$120	56.6
1952	263	110	41.8	135	51.3	160	60.8
1966	428	100	23.4	125	29.2	150	35.0
1967	441	130	29.5	155	35.1	175	39.7
1970	517	175	33.8	205	39.6	230	44.5
January 1972	563	175	31.1	205	36.4	230	40.8

[1] The average monthly earnings figures through 1970 were derived from the Department of Labor, Bureau of Labor Statistics publication "Employment and Earnings: Vol. 18, No. 7—January 1972". They were computed by taking average weekly earnings figures given in table C-1 ("Gross hours and earnings of production or nonsupervisory workers on private nonagricultural payrolls, 1947 to date") and multiplying by 4⅓ to give the monthly equivalent. The January 1972 figure was derived from the Department of Labor, Bureau of Labor Statistics publication "The Employment Situation: February 1972" (USDL 72-134, released on Mar. 3, 1972).

[2] The monthly payments indicated for these years were subsistence payments only. In later years, due to the change between the World War II program and later programs, the payments indicated are subsistence and tuition payments combined.

CHANGES IN EDUCATIONAL AND LIVING COSTS

[In current, unadjusted dollars]

Academic year:	Tuition and required fees	Percent change from 1946–47	Room, board, and incidental expenses	Percent change from 1946–47	Total live-in costs[5]	Percent change from 1946–47
Public institutions:						
1946–47[1]	$125		[3] $835		$960	
1954–55[1]	139	11.2	[3] 1,051	25.9	1,190	24.0
1970–71[2]	343	174.4	[4] 929	11.3	1,272	32.5
Private institutions:						
1946–47[1]	330		[3] 960		1,290	
1954–55[1]	438	32.7	[3] 1,262	31.5	1,700	31.8
1970–71[2]	1,649	399.7	[4] 1,063	10.7	2,712	110.2

[1] The figures for this academic year are institutional medians, not averages.

[2] The figures for this academic year are weighted averages.

[3] These figures include incidental personal expenses.

[4] These figures are for room and board only.

[5] These are total costs to an individual if living on campus.

ASSISTANCE RATES UNDER GI BILL FOR FULL-TIME TRAINING

Public Law No. and date	Number of dependents: None	1	2	3	4
78-346: June 22, 1944[1]	$50	$75	$75	$75	$75
79-268: Dec. 28, 1945[1]	65	90	90	90	90
80-411: Feb. 14, 1948[1]	75	105	120	120	120
82-550: July 16, 1952	110	135	160	160	160
89-358: Mar. 3, 1966	100	125	150	150	150
90-77: Aug. 31, 1967	130	155	175	185	195
91-219: Mar. 26, 1970	175	205	230	243	256

[1] These rates were subsistence rates and did not include payment for tuition and fees. Under the Korean (1952) and later acts, the rates given are for subsistence and tuition and fees.

Chairman **Hartke**. We have, as our first witness today, Olney B. Owen, Chief Benefits Director, Veterans' Administration.

Mr. Owen, I would like you to identify the people at the table with you and then you may proceed.

But before you proceed I want to ask Senator Cranston if he has a statement he wishes to make?

Senator **Cranston**. No, Mr. Chairman.

Mr. **Owen**. Thank you, Mr. Chairman.

I am pleased to introduce my associates. On my right is John H. Kerby, assistant general counsel. On my immediate left is J. C. Peckarsky, Deputy Chief Benefits Director, and to his left is Mr. James T. Taaffe, the Director of Compensation, Pension, and Education Service of the Veterans' Affairs Department.

STATEMENT OF OLNEY B. OWEN, CHIEF BENEFITS DIRECTOR, VETERANS' ADMINISTRATION, ACCOMPANIED BY JOHN H. KERBY, ASSISTANT GENERAL COUNSEL; J. C. PECKARSKY, DEPUTY CHIEF BENEFITS DIRECTOR; JAMES T. TAAFFE, DIRECTOR OF COMPENSATION, PENSION, AND EDUCATION SERVICE, VETERANS' AFFAIRS DEPARTMENT, VETERANS' ADMINISTRATION

Mr. **Owen**. Mr. Chairman and members of the subcommittee, it is a pleasure to appear before you today to present the views of the Veterans' Administration on various bills pending before your committee which would amend the current GI bill educational program. These proposals generally have as an objective the encouragement of our returning veterans—and their widows and orphans—to take education and training which will fit them for productive and rewarding employment in our civilian economy.

In addition to the 4-year college programs in which the majority of veterans are enrolled, educational assistance is offered to veterans in diverse types of training programs. Junior colleges are offering courses leading both to continued college level studies and to technical certificates qualifying veterans for employment in many fields. Trade, technical, and business schools offer programs covering nearly all existing vocational needs of the Nation, and flight and farm cooperative training are also available.

For veterans who cannot devote time to institutional training, educational programs may be pursued through correspondence. Veterans may embark on special programs to qualify for financial assistance from the Small Business Administration. They may also follow programs which consist of full-time institutional training alternating with phases of training in a business establishment.

Of great importance to veterans is apprenticeship and on-the-job training. These programs not only train the veteran but customarily provide him with continued employment upon completion at a journeyman's wage. Last year the Veterans' Administration entered into a major job-training outreach program, sending trained employees into the community, encouraging and assisting businesses to establish OJT programs suitable to be filled by veterans. These VA personnel have made some 62,000 visits to 55,000 concerns, and have developed 48,550 openings suitable for training of veterans.

I would like to review briefly the extent to which veterans are taking advantage of the benefits already enacted by the Congress. Since enactment in May 1966, the Vietnam era GI bill has provided education and training to 2 million Vietnam veterans, together with an additional 0.9 million veterans who left service after 1955.

The participation rate has shot upward by any index. In the past 3 years, the participation rate of Vietnam era veterans, on a cumulative basis, has risen from 21.5 percent to 38.4 percent. There is evidence that men are entering training more quickly after discharge. The first year entry rate has risen from approximately 19 percent in 1968 to 27 percent in 1970—an increase of 42 percent.

The GI bill, moreover, has fitted the aspirations and talents not only of the college-bound individual but also of the man who wants technical training, who wants a job with built-in training opportunities, and the man who wants to finish high school and learn a trade. The enrollment of veterans in on-the-job training (OJT) rose by 121 percent in fiscal years 1969–1971, from 66,000 to 146,000. The enrollment in courses below college level rose from 330,000 to 522,000.

This impressive record results, we believe, from the motivation and drive of our veterans, encouraged by the active concern of the Congress and the President. To assure that this momentum is maintained, the Congress and President have acted on two occasions since the present GI bill was enacted in 1966 to adjust GI bill allowances to the rising costs-of-living and education. Over this period, the basic monthly allowance for a single veteran rose by 75 percent, from $100 to $175, with matching increases for dependents.

The President has been keenly aware that despite these massive increases, veterans do not have it easy on most campuses. Studies by the Veterans' Administration show that veterans often must augment their income by part-time employment. We recognize the GI bill was not designed—and given the diversity of tuition charges among schools, could not be equitably designed—to cover all of a veteran's educational costs. Nevertheless, the President has been greatly concerned that rises in living costs since the last adjustment of February 1970, not tip the balance adversely against a veteran's decision to enter or continue training. There are other adjustments in the basic program needed to improve educational opportunities, including those provided service-disabled veterans and those extended for war widows and orphans.

Accordingly, this administration designed an omnibus bill to meet this very real concern shared by your committee and the President. The administration-sponsored proposal was introduced as H.R. 11954 in the House of Representatives and as S. 3059 in the Senate. This latter measure was referred to your committee for consideration and it is to this bill, Mr. Chairman, that I would like now to address my remarks.

S. 3059 is divided into four titles. The first title would increase the present rates of subsistence allowance payable to veterans training under chapter 31 of title 38, would increase the educational assistance allowance payable to veterans pursuing educational programs under chapter 34, and would increase the educational assistance allowance payable to wives, widows, and children of veterans pursuing educational programs under chapter 35; title II would permit advance payment of the subsistence and educational assistance allowances payable under chapters 31, 34, and 35 to veteran-trainees, veterans, wives, widows, and children; title III contains a number of proposed improvements in the GI bill educational program; and title IV sets out various effective dates for the changes which would result from this proposal.

The rate increase proposals which are included in title I of the bill would, in general, provide increases approximating 8.6 percent for veteran-trainees under chapter 31 and for veterans, widows, wives, and children training under chapters 34 and 35. This increase reflects the rise in consumer prices since the last increase in education and training benefits through the time our proposal was made last fall. A larger increase is included for veterans who are pursuing on-the-job and apprentice training programs, where experience has shown the greatest need and a requirement for further stimulus of job opportunities for veterans.

We believe that such rate increases are in accord with the policy and purposes sought to be accomplished under phase II of the President's economic control program.

It is estimated that the rate changes which are proposed in title I of the bill would cost approximately $175 million for the first full year.

Title II of S. 3059 would authorize the administrator to make initial advance payments of the subsistence allowance to veterans training under chapter 31 and of assistance allowance to veterans, widows. wives and children pursuing educational programs under chapters 34 and 35.

The advance would be limited to those individuals who are pursuing educational training on a half-time or more basis and would consist of the partial or "stub" month payment covering the month in which the pursuit of the program of education or training is to commence plus 1 full month's benefit. Thereafter, payments of subsistence or educational assistance allowance would be made at the beginning of each month in which the trainee, veteran, or eligible person pursues his program.

The advance would not be made earlier than the first day of the month in which pursuit of the program of education or training is to commence and would be made only upon receipt of proof that the eligible veteran or eligible person has, in fact, been enrolled in an approved educational institution.

Administrative controls over the program have been provided by permitting the administrator to withhold the final payment of an enrollment period until proof of satisfactory pursuit has been submitted and, in cases where the eligible veteran or person fails to pursue the course after receiving an advance, the advance may be recovered from any other benefit otherwise due such individual under any law administered by the Veterans' Administration. Otherwise, such overpayment would constitute a liability of such individual and may be recovered in the same manner as any other debt due the United States.

Present certifications for veterans pursuing programs of flight or correspondence training under chapter 34 would continue to be required.

No cost would be incurred if title II were to be enacted, but additional outlays would be required in the first fiscal year of approximately $101 million because of advances made in that year which would normally not be paid until the following fiscal year. This amount would, however, be recouped from subsequent payments made to these veterans or eligible persons.

The proposal incorporated in section 202 of this title is virtually identical with the proposal which we transmitted to the Congress on January 26, 1971. It has, however, been tightened up to some degree in that the present proposal requires proof of the enrollment of the individual before the advance may be made. We believe it is only equitable to extend this advance pay principle to the vocational trainees and wives, widows, and children instead of limiting it to chapter 34 veterans, as provided by our original presentation.

Title II of the bill contains recommendations for various amendments to the current GI bill educational program designed to: Place correspondence training on a partial reimbursement basis as presently provided in other GI bill education programs; liberalize the restrictions on enrollment of veterans and persons in schools which have moved their locations; modify measurement of certain limited vocational courses; extend on-job and apprentice training to certain wives and widows and children; extend secondary level training and correspondence training to certain wives and widows; eliminate mandatory counseling for certain children; permit lump sum benefit payments to wives, widows, and children pursuing less than half-time training; and make certain technical changes.

For the convenience of the committee, we have attached, as appendix A, a detailed analysis including cost data and a statement of our reasons for advocating your favorable consideration of these several title III provisions.

Our omnibus proposal has been approved by the House of Representatives, with certain modifications, after having been reintroduced as H.R. 12828. This latter measure is also pending before your committee and with your permission, Mr. Chairman, I would like now to discuss the limited number of changes made by the House in our original proposal.

We are in favor of increases in educational assistance rates which reflect increase in consumer prices. In our proposals, we recommended rate increases of 8.6 percent in most educational benefits. These rates were revised by the House to approximately 14.1 percent, although our recommendation for a 48-percent hike for on-the-job and apprentice training benefits was retained without change. We are aware that since our proposal was made last fall that a relatively small increase in consumer prices has occurred. There is not, however, any material differences between the rates we propose and those which would be computed to reflect the rise in the consumer price index since the last rate change.

Two additions were made to H.R. 12828 which could provide as anternative approach for measurement of full-time cooperative trainees and authorize a 20-percent increase in the amount of reimbursement for administrative expenses of the State approving agencies. We have no objection to either of these provisions.

The House also added a provision authorizing servicemen pursuing prep courses to pursue GED—general education development—courses in addition to the high school diploma and deficiency, refresher or remedial courses already authorized. We did not include this in our original omnibus proposal. Such educational pursuit is already being accomplished under programs administered by the Department of Defense. We are, therefore, unable to support its inclusion in this bill.

Two other additions were made to the bill in the House which have a substantial effect on other programs which we administer, but only limited application to the educational program. The first would remove the requirement from current law that a husband or widower of a female veteran be incapable of self-maintenance and permanently incapable of self-support to qualify for the dependency benefit. In the educational area, the effect would be to grant to female veteran-students who are married, the additional benefit provided for a dependent. We support this change in the law.

The other addition was a change in section 3301 of title 38, requiring that the names and addresses of veterans and their dependents and survivors in the possession of the Veterans' Administration be treated as confidential. It has been our policy to refuse to furnish addresses from our records except for specified reasons. We would prefer to continue to adhere to that policy and we strongly support this change.

Finally, the House deleted from the bill two provisions which we had included in our omnibus proposal and which we respectfully urge that your subcommittee include in any measure it reports. The first would have provided for a pro rata refund for correspondence course training under chapters 34 and 35. The pro rata refund provision would act to protect the veteran against incurring large liability while allowing schools a reasonable fee for their educational services to students. Many veterans sign contracts for these programs, and upon initiating the training find for diverse reasons they are unable to complete the program. Since the Veterans' Administration education assistance is paid only on the basis of the lessons completed and serviced, the veteran is responsible under the terms of the contract and this has placed many veterans in debt. The 90-percent payment formula which is in H.R. 12828 would, in conjunction with the pro rata refund provisions which we urge be reinstated, go a long way toward eliminating many of the problems which have raisen in the correspondence program.

Chairman **Hartke**. One moment, Mr. Owen.

In this connection, I want to take note of the fact that a report, which was released yesterday to the Congress by the Comptroller General of the United States, indicates that most veterans are not completing correspondence courses, and more guidance is needed from the Veterans' Administration itself. I am going to include this report in the record at an appropriate point.

(The Comptroller General's report appears on p. 1082.)

This raises some very important issues, and I would like to announce for the public now, and also for the benefit of all concerned, that we're going to have a full day of hearings entirely devoted to this question of correspondence courses.

Mr. **Owen**. Thank you. We are aware of this report, and, in fact, the paragraph I just read speaks to this subject, at least in the record.

The second provision deleted by the House would have permitted us to measure on a semester-hour basis, rather than a clock-hour basis, technical and trade courses pursued at institutions which also furnish college level courses. Under current law, trade or technical courses are measured on a clock-hour basis, with a minimum of 25 clock hours weekly required to qualify for full-time attendance, whereas college degree courses are measured on a semester-hour basis.

Today, many junior and community colleges are offering both professional courses which lead to a degree and technical courses which generally lead to certification for a trade or a technical license. Both types of courses are given in the same school, and they both meet the same high educational standards established by the accrediting association for the area.

Dissatisfaction has arisen where veterans attend the same school, but are paid under the different criteria. We believe that the standards established for technical courses at these college-level institutions would insure that quality training would be offered for such courses.

Mr. Chairman, I would now like to comment upon the various other proposals pending before your committee, on which you have requested the views of the Veterans' Administration.

S. 1776 would amend section 1681(b)(2) of title 38, United States Code, to revise the counting of absences in the case of veterans pursuing courses which do not lead to a college degree. It would exclude vacation periods established by the institution in conjunction with certain holidays in computing the educational assistance allowance for these veterans.

Under current law, no allowance may be paid to any veteran enrolled in a course which does not lead to a standard college degree (excluding apprenticeship and on-job training) for any day of absence in excess of 30 days in a 12-month period, not counting as absences weekends or various legal holidays.

Based upon the current formula, a veteran may be absent 11½ percent of the time and still be paid the full allowance. We believe that allowance for pay with such an amount of permissible absence provides a most reasonable amount of time away from school. We, therefore, oppose enactment of this measure.

S. 2161 would grant an increase in the basic rate of a single full-time veteran from the current $175 per month to $220 per month—a 25.7-percent boost. Other rate increases proposed by this bill would be even greater, ranging to 35.8 percent for attendees of less than full-time training and to as much as 50 percent for dependents in excess of two in certain categories. Similar large increases would also be provided in the war orphans, wives, and widows educational programs.

We note that S. 2161 would reflect an increase of less than 6 percent for vocational trainees, as well as for the farm cooperative, apprenticeship, and other on-job training programs. No increase is provided in the current rate for flight training. We are of the view that there should be increases in the vocational, farm cooperative, and flight training programs equated to those increases proposed for other types of benefits. We also believe that the increases for the on-job and apprenticeship programs should be greater—48 percent, as we have recommended—as these are the areas where additional emphasis is needed to promote more job opportunities for veterans.

In our opinion, the rates proposed for institutional training as set forth in this bill are far above any justifiable figure.

S. 2063 would authorize the Administrator to make advance payment of the educational assistance allowance to veterans training under chapter 34 on a half-time or more basis. This measure is identical with the text of the draft proposal which the Veterans' Administration transmitted to Congress by letters to the President of the Senate and Speaker of the House, dated January 26, 1971.

The advance pay provision which we included in title II of the Administrator's omnibus proposal (S. 3059) is virtually identical with that contained in S. 2063, except that we have extended the advance payment proposal to also cover veterans training under chapter 31; and wives, widows, and children training under chapter 35. We believe this is a more equitable and logical extension of our earlier proposal.

In addition, we have tightened to some degree the requirement for entitlement to receipt of the advance payment. The earlier proposal would have permitted the payment to be made upon receipt of proof that the veteran had been accepted for enrollment. Our revised plan calls for submission of proof that the individual has been enrolled. This will insure a greater degree of administrative control.

S. 740 is virtually identical to S. 3657, 91st Congress, as passed by the Senate. Briefly, this measure contains an advance payment plan and a work-study program, permits cancellation of certain Federal education loans through the use of earned GI bill educational entitlement, and makes various technical and administrative changes in the GI bill program.

We oppose the advance pay proposal made in this bill as we believe that the advance pay provisions contained in title II of our omnibus proposal would be more administratively feasible than those put forward in S. 740 and would provide better controls for prevention of overpayments.

Regarding the work-study provisions of the bill, we strongly support the idea that needy veterans attending school under the GI bill should have an opportunity to augment their income through work-study arrangements. The administration is seriously concerned with the financial plight of all college students, including veterans, who struggle with the rising costs of higher education in their efforts to enter or finish school. For any student in this difficult situation, help is most effective if it takes into account his total financial situation.

Under the Higher Education Act of 1965, student assistance in the form of loans, grants, and work-study programs reaches colleges throughout the country and already goes far to meet the needs of students, including veterans. Accordingly, while we endorse the objective of the work-study provisions of S. 740, we must oppose them as duplicative of the existing work-study program which is better designed to reach the neediest veteran students and provides them with higher benefits.

It is our view that programs under consideration by the Congress at the present time provide work-study assistance which would be more effective, better targeted, and simpler to administer than the work-study provisions of S. 740. The Office of Education estimates that 95 percent of all returning veterans would be found eligible to participate in the general higher education programs.

We recognize that one intent of the proposed work-study provisions of S. 740 is to increase the possibilities for GI student employment in the Veterans' Administration. The Veterans' Administration already has a substantial work-study program and hires sizable numbers of returning veterans. We believe it would be more desirable, however, to diversify our authority in this area. Accordingly, one provision in S. 3059, the administration-sponsored bill, would permit the Administrator to employ students enrolled in full-time programs as intermittent employes. Instead of the basis set forth in S. 740 for paying these student-veterans, we recommend paying them in accordance with the going rate for the job classification. We believe that in nearly all instances this will be more per hour than that payable under S. 740.

We also oppose the loan cancellation proposal made in S. 740 as we do not believe it is consistent with the purposes of the educational assistance program. It would simply refill the loan coffers of other agencies at an accelerated rate to provide the nonveteran population more funding and could very well negate the purpose for which many Federal education loan programs were designed.

We do favor the provision of the bill which would increase the amount of the loan available to vocational rehabilitation trainees from $100 to $200, and have included such a provision in title I of our omnibus educational amendments.

S. 1918 (amended) would add a new section 1683A to chapter 34 providing for payments up to $3,000 for an ordinary school year to cover costs incurred for tuition, laboratory, and other fees and expenses, exclusive of board, lodging, and other living or travel expenses for those veterans who served during the Vietnam era. In addition to this tuition benefit, the measure also provides for the payment of a subsistence allowance which is substantially in excess of—and is in lieu of—the educational assistance allowance presently being paid to eligible veterans.

The proposed new subsistence rate alone would, in the case of a Vietnam veteran who is attending school on a full-time basis and has four dependents, result in an increase of 86 percent above the total benefit now being paid to him. This increase does not include the tuition and other school cost benefits provided by the bill. When these large subsistence rates are coupled with the grant of tuition, up to $3,000, and other benefits, it is apparent that the total overall increases awarded under the bill would be completely unwarranted.

Ceilings would also be set on the amount of combined wages and subsistence allowance an eligible veteran may receive. These ceilings, we believe, could have an adverse effect on the amount of subsistence which veterans pursuing on-job training, apprenticeship, or cooperative training programs would receive. The assistance presently being paid under these programs is premised upon the payment of a salary by the employer. The proposal would, in some cases, result in reducing benefits to a veteran whose earnings plus subsistence would exceed the ceilings set forth in the bill.

The bill also contains two other provisions which I would like to mention. The first would require an adjustment in subsistence rates each year to reflect the cost-of-living change occurring in the prior 12 months. Automatic adjustment in benefits is without precedent in veterans' benefit programs and should be carefully considered before being embodied in the law.

The second provision would grant these veterans as much as 48 months of educational assistance. We believe that the 36 months of entitlement now afforded is sufficient to complete a vocational or a

4-year college program. In addition, existing law presently permits certain eligible veterans to receive assistance allowances beyond the 36 months of entitlement, and also makes provision for those who are educationally disadvantaged. Eligible veterans who have not completed their high school education, or who need to undertake deficiency courses to pursue higher education, may receive educational assistance without charge to their earned entitlement.

S. 2666 has the twofold purpose of authorizing the Administrator of Veterans' Affairs to provide funding for special advisory and counseling assistance to veterans at institutions of higher learning, and authorizing the Secretary of Health, Education, and Welfare to provide, on a trial basis, a special program to aid veterans with academic deficiencies to gain entrance to institutions of higher learning.

The first part of the proposal would permit the Administrator to make grants to, or enter into contracts with, any institution of higher learning by which such schools would be assisted in employing a full-time veteran adviser or assistance officer. This individual would be charged with counseling and advising veterans on all matters relating to education and career guidance, including financial assistance, placement planning, registration processing, and tutorial assistance. He would also be authorized to accept and process any application or claim for benefits made by a veteran enrolled in the school.

The Veterans' Administration already has an extensive counseling program available for veterans. Trained and objective counseling assistance is available either before or after the individual veteran makes his choice of program or school. Moreover, we presently maintain the closest liaison with all education and training establishments, and there are mandatory procedures which require personal contact between school administrators and responsible Veterans' Administration personnel on a day-to-day basis to assist in solving problems. In addition, the Association of College Registrars and Administrative Counselors, and the State approving agencies, provide valuable assistance to us in improving educational programs as well as in their administration.

It is emphasized that the number of veterans in training at a given institution varies from a few to several thousand on large campuses. S. 2666 would allow employment of one full-time veterans' advisory and assistance officer. Such a statutory requirement would thus become an inflexible and disproportionate allocation of manpower and would lead to requests from the larger institutions for more manpower. It would also result in veterans potentially filing claims at some 6,000 locations, causing fragmentation and delays in the processing of claims and the issuance of benefit checks.

The second segment of the bill would permit the Secretary of Health, Education, and Welfare to make grants to, or enter into contracts with, schools to set up 1-year programs to aid educationally disadvantaged veterans. Programs to provide such aid already are authorized under current law, and the goal of this portion of the measure would appear to be duplicative. We, therefore, oppose enactment of S. 2666.

We are also opposed to S. 2163. This measure would return the program to the World War II GI bill system of paying the veteran's tuition and a subsistence allowance. The tuition grant (including books, fees and certain other expenses) would be limited to $1,000 for an ordinary school year, and the subsistence allowance would be in the amount currently paid as an educational assistance allowance.

The return to the World War II system of payment direct to the school would mean a return to the contracting system of the earlier era, a method found to be unsatisfactory and subject to great abuse. The investigation conducted subsequent to the World War II program disclosed many inadequacies in that program and brought about the Korean conflict GI bill concept of payment direct to the veteran on a partial assistance premise. Enactment of S. 2163 would complete a cycle which would again give rise to such abuses as falsification of a veteran's progress and attendance records, and collusion between school officials and veterans in falsely obtaining educational assistance payments.

S. 2744 is a bill which has as its purpose the providing of additional educational programs for servicemen and veterans.

Mr. Chairman, this measure primarily would authorize secondary level educational programs which would be administered by the Department of Defense, and I understand that representatives of the Department have been invited to testify on the bill. There are certain provisions in the bill, however, which would adversely affect the programs we administer which I would like to discuss.

The Department would be directed to establish regional academies in which high school and other similar courses would be offered servicemen and veterans. Veterans would receive free tuition, room, and board.

The Veterans' Administration already has an ongoing program providing high school, equivalency and deficiency, remedial, and refresher courses for educationally disadvantaged veterans, as well as the prep program which provides high school credit, deficiency, refresher, and remedial courses for servicemen. In neither case is there any charge made against any GI bill entitlement earned by veterans or servicemen.

The establishment of such regional academies to offer the same types of courses would represent costly duplication of our programs. Further, veterans provided free tuition, room, and board would also be entitled to our VA educational assistance allowance and thus receive duplicative benefits for the same training.

Title II of S. 2744 also authorizes the Secretary of Defense to contract for the teaching of job skills to servicemen and veterans to qualify them for civilian jobs. Veterans would be furnished transportation, and room and board while training as well as a monthly subsistence allowance. The Secretary would also be empowered to pay an employer an amount equal to 50 per centum of the compensation paid the trainee over a 3 to 9 month period, depending upon the degree of the employability rating assigned the trainee.

The effect would be to grant to veteran-trainees two separate and distinct subsistence allowances—one from the Department of Defense and one from the Veterans' Administration—while training for work skills. The veteran would also receive wages from the employer. Obviously, this would duplicate and adversely affect our apprenticeship and on-job training which quite properly provides for the payment of only one subsistence allowance.

One final point. The Secretary is required to encourage servicemen to pursue prep courses which we administer. This is totally inconsistent with the establishment under the bill of a separate similar program for servicemen.

The bill would, in principal effect, create a separate GI bill administered by the Department of Defense to include not only those in the service, but also veterans. We believe that, for those individuals who have departed military service and are in civilian life, the role of providing education, skill training, and job support should be that of the Veterans' Administration, and not the Department of Defense.

The remaining bill I would like to discuss, Mr. Chairman, is S. 3345. This measure would increase subsistence allowance benefits for vocational rehabilitation trainees and would also increase the loans which may be made to such trainees from $100 to $200. As I have mentioned, we have proposed an increase of 8.6 percent for this program and have also included an identical loan provision.

S. 3345 also provides for a tuition-subsistence allowance program. This would be identical with that proposed in S. 2163, on which I commented earlier. It also calls for a 90-percent correspondence training payment formula which is the same type of program we have proposed. Further, it proposes a $200 entitlement charge for flight training as compared with the current $175 rate. We do not believe that one program should be singled out.

Title II would additionally set up a new educational loan program for veterans to be administered by the VA. We would be authorized to insure loans up to a maximum of $1,000 per academic years per veteran with a veteran allowed to have a maximum loan outstanding of $4,000. The administrator would also be authorized to make direct loans in those areas where the veteran is unable to obtain a loan at a rate of interest prescribed by the administrator. The bill also would establish conditions for loan repayment and provides for an interest subsidy payment by VA.

Mr. Chairman, a comprehensive program of loans, grants, and other educational assistance for students, including veterans, is already available through the National Defense Education Act, the Higher Education Act, and other related educational programs administered by the Department of Health, Education, and Welfare. A Veterans' Administration funded loan program would be a duplication of these similar ongoing programs, and we therefore oppose this proposal.

Mr. Chairman, I would like to submit appendix A, which contains an analysis of S. 3059, section by section, for the record.

This concludes my presentation, Mr. Chairman. My associates and I will endeavor to answer any questions you may have.

(Appendix A is as follows:)

APPENDIX A

Section 301 of the omnibus bill would require a serviceman on active duty who wishes to pursue GI Bill educational training to have his application for benefits approved by a service education officer before it is submitted to the Administrator. This change would allow the service education officer to review and discuss with the serviceman the program of education the serviceman proposes to pursue; would permit the service education officer to determine whether the selected program is suitable for the individual serviceman's aptitudes; and would also permit the service education officer to determine whether the program selected could be satisfactorily completed within the serviceman's current environment.

We believe this recommendation would be beneficial to the individual serviceman and could assist in alleviating problems which have arisen in certain areas. It is estimated that enactment of this section would not result in any additional cost.

Sections 302 and 310 would amend chapters 34 and 35 of title 38 to modify the present bar on the enrollment of eligible veterans and eligible persons in courses where a school has made a complete move to a new location which is outside the general locality of its former site.

Current law prohibits the Administrator from approving the enrollment of eligible veterans and persons in any course offered by an educational institution where such course has been in operation for less than two years. If the course has been in operation for more than two years, but the school moves to a new location which is not within the same general locality as its prior site, the two-year bar is reimposed. The term "same general locality" has been defined by regulation to mean a move to a new location within normal commuting distance of the original site. The regulation also requires, in such a case, that the faculty, student body and curricula must remain essentially the same.

Under our proposed changes in the law, the Administrator would be able to approve enrollment in a course where the school has moved but has substantially retained the same faculty, curricula and student body, without a change in ownership. This proposal would provide greater flexibility in the area of school relocations so as to recognize today's changing conditions whereby schools are required to relocate due to the need to expand because of increasing numbers of students or perhaps the need for larger facilities. Often the unavailability of nearby land or other conditions preclude such expansion unless the entire school is moved to another site which may be some distance removed.

It is estimated that enactment of these sections would not result in any additional cost.

Section 303 would add a new section 1678 to chapter 34 to incorporate in a separate section those provisions on correspondence course training which are presently contained in section 1682(c) of title 38.

In proposing this change, we suggest revision of the program in two major respects. The first change would provide for computation of the educational assistance allowance based upon 90 percent of the established charge which the institution requires nonveterans to pay for pursuit of the same course or courses. The second proposed change would impose a requirement calling for a refund to the veterans of monies paid prorated on the basis of lessons completed and serviced by the school. It would also set a limitation of $50 on charges a school may make for registration or similar fees. In addition, the current rate of $175 per month charge against entitlement for pursuit of correspondence course training would be increased to $190.

Current law provides for computation of the correspondence benefit based upon the full cost of the program. This form of training is the only program under chapter 34 which will return to the veteran the full cost of his tuition. All other programs require him to have a stake in his own training. The first change proposed would put correspondence training on a par with the flight training program currently authorized by section 1677 of title 38. It would also require this program to meet the criteria set forth in section 1681(a) which states that the educational assistance allowance provided for chapter 34 programs is designed "to meet in part" the veteran's cost of tuition and other expenses. By having the veteran pay a minimal 10% of the correspondence course cost, he will have a stake in his own training and will, in addition, give greater thought to his choice of a training objective and the means of achieving his goal.

Courses offered by educational institutions are approved for the training of veterans under two standards. Those courses which have been accredited require less supervision and control by the state authorities than nonaccredited courses. Accredited courses, for the most part, fall under the control of a nationally recognized accrediting agency or association. In the case of correspondence schools this is the National Home Study Council.

A number of abuses have occurred in the correspondence field. To help alleviate this situation, we believe that closer supervision over the accredited schools should be maintained by state authorities. This can be had if the accredited schools are required to meet the stricter standards for the nonaccredited schools. Those schools which are not accredited are required to refund charges on a pro rata basis, which essentially means the veteran pays proportionally for the amount of training received. The schools may also retain $10 for registration paperwork, and the like.

The accredited correspondence schools, on the other hand, have as a refund policy one that is based on the passage of time. The standards set for these schools call for the school to retain 10 percent of the contract price of the course, not to exceed $50, if the student cancels within 48 hours. If the student cancels within 30 days, the school may retain 15 percent of the contract price plus $50, without regard to the number of lessons serviced. Should the student cancel after three months it can cost him 50 percent of the contract price plus $50. Yet, it may take him that amount of time to find that the course is not suited for him.

It is our view that charges made by these schools should be based upon the services rendered the veteran student—the lessons serviced. The schools should be entitled to a reasonable fee for administrative work which is necessary to set up the course for the student. We feel that a fee of up to $50 would be reasonable to cover this expense for each individual enrolled.

Under existing law the serviceman or veteran may be responsible for the entire cost of the course without receiving any payments from the Veterans Administration. The proposal made here would offer protection to the eligible person while at the same time there would be no financial loss to the school.

It is estimated that enactment of this section would result in savings the first full year of $8 million and five-year savings of $33 million.

Section 304 of the proposal is technical and merely reflects the switch of the correspondence provisions of chapter 34 from section 1682(c) into the proposed new section 1678.

Sections 305 and 314 of the measure are proposed changes which we believe would help alleviate another problem which has arisen in the administration of the educational programs. The changes proposed here would permit the measurement of technical or trade courses, which are given at an institution which also offers courses leading to a standard college degree, on a semester-hour rather than a clock-hour basis for the purpose of the payment of the educational assistance allowance. These changes would apply to both chapters 34 and 35. Under current law, these trade or technical courses are measured on a clock-hour basis with a minimum of 25 hours weekly required to qualify for full-time attendance.

Today, many junior and community colleges are offering both professional courses which lead to a degree and technical courses which generally lead to certification for a trade or a technical license. The former courses are measured on a semester-hour basis while the latter courses are measured on a clock-hour basis. (Under a conversion formula equivalent semester hours are determined where a course is offered on a quarterly, trimester, or other time basis.) Both the professional and technical courses are given in the same school and they both meet the same high educational standards established by the accrediting association for the area.

Dissatisfaction has arisen in certain areas where veterans attend the same school, but are paid under the different criteria. The standards established for technical courses at these college-level institutions generally insure that quality training is being offered for these courses—equivalent to the college-level courses which are measured on a credit-hour basis. The changes recommended here would permit the school to have these technical courses, which meet their high standards for college-level work, measured on a semester-hour basis.

It is estimated that there would be no significant additional cost should this proposal be enacted.

Section 306 of the omnibus bill would change the title of the Predischarge Education Program (PREP) to Preparatory Education Program (PREP), and would also amend the purpose clause of the program to reflect such change.

Although eligibility for PREP assistance begins early in military service—after completion of 181 days of active service—many servicemen consider the program to be designed for an individual who is about to leave military service. Changing the name of the program would, we believe, help alleviate this misunderstanding.

Section 307 has two purposes. The first amends subsection 1701(a) of title 38 to revise paragraph (6) to include correspondence schools within the definition of educational institution so as to accommodate the change in chapter 35 by section 311 permitting wives and widows to pursue correspondence training. The rationale and cost estimate are set forth in the discussion of that section.

The second change adds a new paragraph (9) adding the term "training establishment" to the definitions currently applicable to chapter 35. The change made here (as well as the changes made in chapter 35 by sections 309, 312(a), 314, 315, and 316 of the bill), is designed to extend to wives, widows and children the opportunity to pursue on-job and apprentice training.

Under current law, wives, widows and children are entitled to other educational benefits, but they are not eligible to pursue apprentice or other on-job training programs. The change made in this section (as well as those changes made in chapter 35 by sections 309, 312(a), 314, 315 and 316 of this bill) extend such training opportunities to them.

A college education may not be suitable for everyone. Offering these individuals the opportunity to pursue on-job and apprenticeship training programs would afford those desiring post high school training another way of entering an occupation. Such programs would also offer forms of training in which these individuals would be able to receive high financial reward upon completion.

The basic authority for extending these programs to wives, widows and children is contained in section 315, which proposes adding a new section 1738 to chapter 35. Other changes have also been proposed to be made in chapter 35 which would: add a definition of "training establishment" to section 1701; amend section 1723 to remove the current bar to pursuit of such programs; amend section 1731 to specifically exclude these programs from the annual absence counting provisions of that section; amend section 1733 to insert a measurement basis which is identical with that extended to veterans pursuing such programs under chapter 34; and amend section 1777 of title 38 to incorporate therein references to wives, widows and children to reflect these new programs under the approval authority for State approving agencies. Provision has also been made to limit the program to training within a State, thereby excluding pursuit of such training in the Philippines. Most of those individuals in the Philippines who would become elgible under this program would be the wives of disabled Philippine veterans who served during World War II. The majority of these persons are now over age 50 and the programs extended here would be of little benefit to them. It should be pointed out that most of them have already taken advantage of the vocational training benefits which have been made available to them under chapter 35 and they thus have been trained for a vocation designed to help them support themselves and their families.

It is estimated that enactment of this benefit extension would cost $7.1 million the first full year and $35.1 million over the first five years.

Section 308 of the measure would amend section 1720 of chapter 35 to eliminate mandatory counseling for certain children training under the provisions of that chapter.

Current law requires the Administrator to arrange counseling for all children entering training to assist the parent or guardian and the child in selecting an educational or vocational objective. There are, however, many cases where a child, upon becoming eligible for benefits, is already enrolled at or is attending a college and it can be assumed that in those cases a reasonable choice has already been made and a suitable objective chosen. Mandatory counseling would, in such cases, be a duplication. It should be emphasized that while the mandatory requirement would be removed, any further counseling or guidance the child might need would still be available through the school or the Veterans Administration, if requested.

It is estimated that enactment of this section would result in savings in the program of approximately $1 million per year over the next five years.

Section 311 of the bill would add a new section 1726 to subchapter III of chapter 35 to provide authority for eligible wives and widows to pursue secondary level training without charge to their basic entitlement. Similar authority has already been given educationally disadvantaged veterans by section 1691 of chapter 34. The authority granted here would be a logical extension of similar benefits to educationally disadvantaged wives and widows. These individuals, due to the death or disability of their veteran-husbands, are required to assume the responsibility for support of themselves and their families. By permitting them to pursue secondary level training they would be given an opportunity to obtain the necessary training required for entrance into higher education without losing their follow-on eligibility for college training.

In extending this authority, pursuit would be limited to training within a State. This would have the effect of eliminating secondary training for Philippine wives and widows. It should be pointed out that the majority of those individuals who would be made eligible are already over the age of 50 and the purpose of the program would be of little benefit to them. Further, most of them have already taken advantage of the vocational training benefits previously provided to them under chapter 35 and thus they have been trained for a vocation designed to help them support themselves and their families.

It is estimated that enactment of this proposal would result in additional direct benefit costs the first year of $2.5 million and $12 millon over the first five years.

Section 311 of the bill would also add a new section 1727 to subchapter III of chapter 35 to provide authority for eligible wives and widows to pursue correspondence courses. This would provide these wives and widows with still another means of obtaining an education which would aid them in helping to support themselves and their families in the manner in which the veteran, but for his death or disability, would have provided for them. The extension of correspondence school training to wives and widows would be subject to these same safeguards proposed for veterans under section 303 of the measure. In essence, this means that the entitlement of a widow or wife would be charged one month for each $190 paid to her in the form of an educational assistance allowance; the educational assistance allowance would be computed based upon 90 percent of the established charge which the institution requires other individuals pursuing the same program to pay; and would require institutions offering correspondence courses to have a pro rata refund policy premised upon the number of lessons serviced and would allow a maximum registration or similar fee of $50.

It is estimated that enactment of this new authority would result in costs ranging from approximately $600,000 the first year to approximately $1 million in the fifth year. There is no experience in the chapter 35 program to use as an indicator of any precise figures.

Subsection (a) of section 312 of the measure would amend clause (2) of subsection (b) of section 1731 to exempt programs of apprentice or other on-job training pursued by wives, widows and children from the absence counting provisions for course not leading to a college degree. This would equate such measurement with that presently applicable to veterans pursuing similar training under chapter 35.

Subsection (b) of section 312 would repeal the present language of subsection (e) of section 1731 which is no longer applicable in view of the advance payment proposal set forth in section 203 of the measure. In lieu of the present subsection (e), new language would be inserted which would establish a requirement, comparable to that now applicable to correspondence courses pursued by veterans under chapter 34, that correspondence course benefits may not be paid to those wives and widows made eligible to pursue such training by the new section 1727 added by section 311 of the measure until the Administrator has received a certification from the eligible person and the institution as to the number of lessons completed by the eligible person and serviced by the institution. The same requirement is imposed in conjuuction with the correspondence program pursued by veterans under chapter 34.

Section 313 of the proposal would amend clause (2) of subsection (a) of section 1732 to permit lump sum educational assistance payments to be made to eligible widows, wives and children who are pursuing educational programs on less than a half-time basis. Payment would be made for an entire term, semester or quarter in the month following the month in which certification is received from the educational institution that the person is enrolled in and is pursuing his program of education. This would equate the less than half-time payment system for chapter 35 with that already established for chapter 34. This would improve the administrative procedures for handling these payments.

It is estimated that enactment of this section would not result in any additional costs.

Section 314 would amend subsection (a) of section 1733 to incorporate three revisions. The first inserts a new clause (3) which provides for the measurement of high school courses under chapter 35 so as to accommodate the authority granted by section 311 permitting eligible wives and widows to pursue secondary training. The second inserts a new clause (5) providing for the measurement of certain on-job and apprenticeship training programs which would be permitted under the authority of the new section 1738 added to chapter 35 by section 315 of this proposal. The third change is identical with the one contained in section 305 of the proposal and relates to the measurement of technical courses pursued at schools offering degree programs.

Sections 317 and 318 of the proposal are merely technical changes required to be made in the tables of sections for chapters 34 and 35 because of the proposals to add employment of veterans authority; to change the correspondence program for veterans; to permit widows, wives and children to pursue on-job and apprenticeship programs, and to permit wives and widows to pursue secondary training.

Title IV, the final title of the bill, contains certain proposed effective dates. The rate increase and advance pay proposals in titles I and II would become effective on the first day of the second calendar month following the month in which enacted; the change in the correspondence course pursuit by veterans would become effective on the first enrollment of a veteran which occurs on or after the first day of the second calendar month following the month in which enacted thereby continuing the present computation and entitlement charge for those veterans in training prior to that date; and the change in measurement of technical courses at certain schools would be made effective on the first enrollment or re-enrollment of a veteran or person occurring after the effective date of the proposal's enactment.

There is one other proposed substantive change in the law on which I would like to comment—our proposed change in section 101 of title I to increase the amount of the loan which may be made to trainees under the vocational rehabilitation program in chapter 31 from $100 to $200. We believe this would be of assistance to these trainees and would not result in any net additional cost.

Chairman HARTKE. Thank you, Mr. Owen.

I would like to say first, that the committee has been very pleased to work with you. You're a very congenial person to work with, and I hope you'll understand that if we have some questions which indicate disagreement with the Veterans' Administration, they are disagreements as a matter of principle, not as a matter of personality.

Mr. OWEN. Thank you.

Chairman HARTKE. I have a number of questions, Mr. Owen, and Senator Cranston and Senator Thurmond have a number of questions.

I would like to say again before we begin, that I hope that maybe I can leave around 11 o'clock, and that I can have our Indiana witness testify before I leave. If you'll stand by if we interrupt you; we'll keep your questions and answers in continuity in the record, however.

Mr. OWEN. Please do, sir.

Chairman HARTKE. One fundamental question which I believe must be answered before any other is simply this: Is it the official position of the Veterans' Administration that today's veteran should receive a level of educational assistance, taking into account all of the inflationary growth which has occurred since World War II, that is any less than what the World War II veteran was entitled to?

Mr. OWEN. Mr. Chairman, I would respond by stating the administration bill, S. 3059, will provide an amount approximating the amount that the veteran received following World War II.

Chairman HARTKE. I didn't ask you that. I'm not asking what your bill is. I'm asking a very simple question. That is: Is the policy of the Veterans' Administration today to provide for the same level of benefits, taking into account all of the inflationary growth that's occurred since World War II GI bill? Is it the policy of the Administration to provide equivalent opportunity and entitlement in education to the Vietnam veteran?

Mr. OWEN. Let me say that following World War II the GI bill, as enacted by the Congress, did provide payment of tuitions up to a certain amount and also a subsistence allowance. Taking these amounts that were payable to the World War II veteran and converting these amounts to 1971–72 dollars, which would, I presume—and I think that is a correct presumption—taking into account all the inflation that has taken place since that time, relating it then to the cost of an education program, the average cost considering public and private schools following World War II and considering public and private schools today, rating these on the ratio of participation in the various types of schools, then I would say "Yes," that our bill would substantially provide the same as was provided following World War II, and more than was provided following the Korean conflict for the Korean veterans.

Chairman **Hartke**. I'm going to ask you the question once again, Mr. Owen. I want to find out what the policy of the Veterans' Administration is, without all of these other explanations. I just want to know what the policy of the Veterans' Administration is with regard to the level of educational assistance which is being given to today's veteran. Is it the policy of the Administration to provide the same level of entitlement to the Vietnam era veteran as was given to the veteran following World War II, taking into account the inflation which has occurred?

Mr. **Owen**. Mr. Chairman, it's difficult to answer by yes or no, because I am not certain as to the premise that you would be speaking from.

But speaking from the premise of the information that I have available, I would say yes.

Chairman **Hartke**. You see, that is a qualified "yes."

I'm not trying to get into all the qualifications, and I am trying to get a direct answer as to the policy of the Veterans' Administration today.

What I'm trying to find out is whether it is the policy of the Veterans' Administration today to provide that same level of financial assistance to today's veteran taking into account the inflation which has occurred, or the subsequent loss of purchasing power of the dollar.

Mr. **Owen**. I can speak again, Mr. Chairman, I don't propose to be argumentative or circuitous in my remarks, but I do feel because we're speaking to a rather large subject here that includes a lot of data, I do have to qualify a remark based upon the data that I have. The answer is yes. And assuming that my data is correct, then I will answer without qualification that the answer is yes.

Chairman **Hartke**. All right. I think that's as far as I can get you to go.

Have you ever visited an unemployment office and talked to veterans' employment representatives there?

Mr. **Owen**. I have not, frankly, in the past 2 years. Prior to coming to Washington, I have though; yes, sir.

Chairman **Hartke**. I have, and I find two things quite obvious:

First, I find that most of the unemployed veterans who are seeking employment have very little information, generally speaking, about their VA educational benefits. They know very little about them, and most of them who were in those lines have never used their benefits.

Whose responsibility is it in the Veterans' Administration to make sure that the information on the opportunities which are available are transmitted to the person who needs it most—the man who's out there in the marketplace without a job and looking for one?

Mr. **Owen**. Mr. Chairman, let me say that so far as the employment itself is concerned, as you are aware, the Department of Labor has the basic responsibility——

Chairman **Hartke**. I understand that.

Mr. Owen (continuing). For providing the opportunities, et cetera. Let me say that the Veterans' Administration works with the Department of Labor. We do not shun in any way any means to obtain assistance or employment for the veteran.

I would like to go back and review very briefly what we do in our outreach program, and we are convinced that we've reached every person. Now, we may fail to motivate some of these people, but again, we're reaching these people.

Starting in 1968 until the summer of 1971, we only reached the serviceman while he was in Vietnam, that is, as a serviceman.

In the summer of 1971, working with the Department of Defense, the Department of Labor, and the Office of Health, Education, and Welfare, HEW, and the VA, we formed team concepts. The teams now are visiting not only South Vietnam, but Japan, Okinawa, Guam, South Korea, Germany, and are providing information on the spot to these servicemen about VA benefits, Department of Labor assistance, Office of Education assistance, and the training program provided by the Department of Defense. Then we reach the man as he comes to the separation center in the Continental limits of the United States. At the separation center we again tell him about VA benefits.

If he is a disabled veteran, wounded, or diseased in a military hospital, we go to the hospital and tell him about these benefits.

Chairman Hartke. Mr. Owen, let me just state the hospital situation as I have found it. In almost every VA hospital which I visited—those which are run very well, and those which are not run so well—I find a failure to communicate to those hospitalized Vietnam veterans about their educational opportunities. I've gone there and I've talked to these young veterans and I've asked them the very simple question: "What are you going to do when you get out of the hospital?"

But when I walk in there to talk to that GI in that Veterans' Hospital, and he is not aware of the opportunities that he has in education, then something is wrong. How do we transmit from your office to these men the fact that there are opportunities for education right there in the hospital?

Almost every time I find that the veteran himself is anxious to be doing something. I'm not talking about the day he gets in. When he first comes in for his treatment, there's no doubt that as far as he's concerned he's not interested in education. He's interested in medical treatment. I'm talking about that period of time when he's still hospitalized, when his greatest excitement of the day is whether or not his food's going to taste any better than it did the last time.

Mr. Owen. Let me describe what we do, and I think that the committee will agree that we are making every effort. I do not propose to sit here and tell you that, as long as we do talk to the man, that he is going to tell you or someone else that, "Yes, a VA man has come."

We have run into the very same situation. We have talked to the veterans. We have documented records of this. We have even had veterans who are in training tell us that the VA man has never talked to them about educational benefits, but yet they're in the educational program.

This is one of the mysteries of the human race, I suppose.

But we do reach these people at the military hospitals. We have provided counseling. Mr. Chairman, while he's in the hospital.

Chairman HARTKE. I know there's counsel there, but how do you make sure that they're doing their job? I know they're there, and I'm not making the statement that they're not on the job. But I'm going to tell you that it's rather rare for me to find at a hospital a Vietnam veteran who is completely aware of the educational opportunities that are available to him. Why is that so?

Mr. OWEN. We approach it two ways. Our veterans assistance counselors, what we more familiarly call contact representatives, visit these people, and they have a record of this whereby we can go to them and double check. They and our supervisors, the contact officers, do spot check this, not on an everyday basis, but approximately once a month they visit the unit there, an unannounced visit to the hospital to spot check to see that the work is being performed, and I think that one general proof of this is that we've had hundreds of servicemen, still in service, that are in our VA training programs.

I would like to go on very briefly.

Chairman HARTKE. All right, go ahead.

Mr. OWEN. The veteran is separated from service. At this point, we send to every veteran separated from the service—it takes about 3 weeks roughly to get the 214 from the DOD and put it through our computer—we send a letter to every person discharged from the service, unless he has a dishonorable discharge, telling him about VA benefits. We have a tearoff, postage-free card that, if he will send to us, he can check the benefits he's most interested in, giving a telephone number if he happens to have one. We've gotten a 37-percent response on these cards, and this is pretty good proof that these people are receiving their letters.

Just last month we made a sampling; 0.8 percent of these, we found, were not delivered because of wrong address, and so on.

The veteran is invited, through this means, to come to our regional office in Indianapolis, Ind., or Columbia, S.C., or wherever it may be.

If the veteran is a disadvantaged veteran, and by our definition of law this is one who has not completed high school, we make an additional followup with him at the local level inviting him to come to the office. If he cannot come to the office, if he has a good reason, we will go to him and tell him about benefits.

Chairman HARTKE. Let me stop you a moment, Mr. Owen. I want to give you a specific, and ask you to assign somebody to this problem.

I'm talking about outreach and other VA programs in Seattle. You go to the mayor's office there and talk with the mayor. They've got a special task force working out of the mayor's office because they have a severe problem of unemployment. Give us a report, if you will, upon exactly what they have found when they get down to the low-income veteran, which somehow or other the Veterans' Administration is not reaching. And I would like to know why you are not reaching them. They are the ones who at this moment are in that big group of unemployed people who find that their opportunities for employment are severely handicapped in most cases by the fact that they are not trained to get any kind of job whatsoever.

In most cases you'll find out, if you go to any unemployment office, that for every job that is available to a Vietnam veteran today, there are 200 Vietnam veterans and more, who are looking for that job. Now, that's a pretty helpless and hopeless situation.

Mr. Owen. Let me say that we will certainly work with the mayor in Seattle.

(Subsequently, the Veterans' Administration submitted the following information:)

The Seattle, Washington Regional Office is thoroughly conversant with the SEAVAC operation and is rendering every possible assistance. The officer in charge of USVAC is in constant communication with Mr. Garcia and other personnel at SEAVAC. Thirteen of the SEAVAC employees were receiving veterans assistance representative training at the Seattle office. The Seattle USVAC was making direct referrals to SEAVAC of educationally disadvantaged veterans who did not respond after repeated USVAC requests. You may be assured that close cooperation with SEAVAC will be continued.

Chairman Hartke. When you get that one done, I have a few more for you.

You see, what I'm trying to do is to get the Federal Government to stop acting as bureaucrats, because the American people are fed up with bureaucrats, if you want to know the truth.

Mr. Owen. We are hopeful that the additional programs we have initiated in the past few months will alleviate some of the situation.

We have written this man, invited him to come in, and so on. Now, we have decided and concluded from some of our studies that perhaps to tell this man shortly after separation from service is the wrong time. They apparently forget about it, and they throw the letter away.

Chairman Hartke. Did you ever throw a letter away? Do you ever forget about anything?

Mr. Owen. On certain occasions.

Chairman Hartke. I have too. I just want to tell you that most of these veterans are probably like the two of us. In other words, they're out there, and unless somebody looks into the situation personally you will miss them. One thing that I've often wondered about the Veterans' Administration, is why they did away with that veterans' service officer in 1953. Are you familiar with that? I am familiar with many situations where those field service officers performed almost miracles.

Mr. Owen. We have contact offices throughout the country, and it's true that there was a policy developed. Actually, I think it started in the late 1940's and continued when these offices were closed.

But we have substituted in recent years. In fact, we initiated a free telephone service in the larger cities to the regional offices. We are also developing a statewide free telephone service to compensate for this closing of the offices.

We're going to send a 6-month followup letter to these people, again hoping that maybe this will be the time that they will open up the letter and read it.

Chairman Hartke. Let me tell you that a telephone call or a letter to a young veteran in the ghetto is about as useful as the moon is to us at the present time here on earth. It's up there. You've got to get to that ghetto. If you're going to solve some of these social problems there you're going to have to go back in there. You've got to send a Vietnam veteran back into that ghetto to encourage other veterans to get into these programs. This isn't a simple job, and it's not as easy as installing a telephone service and sending out a computerized form letter.

We can send letters to the veterans and we can ask for replies, but that's not going to get this job done. If we really want to make a significant advance, I think we're going to have to go where the veteran is. The social consequence of just rescuing one of those veterans in that ghetto and the money that you will save the society will be well worth what you put into reaching them and training them. That's the heart of the problem and that's not what's being done today.

Mr. OWEN. We have already commenced one program and we're initiating another, which I'll describe to you very briefly.

Last fall we developed a program, which is part of the interchange of information between the Department of Labor and the Veterans' Administration. In the case of any veteran who has drawn unemployment compensation for 90 days, the Department of Labor furnishes us the name of that veteran, and his address and telephone number, if it's not available to us. Then we make a personal contact with this veteran, again reaching him personally, to hopefully motivate him to participate in an educational program, and to be certain that he's receiving compensation, or a pension, or whatever else may be available.

Chairman HARTKE. Let me say something. You're still dealing up here, and I'm dealing below. I'm talking about the young veteran who doesn't even go to the unemployment office.

Mr. OWEN. We're developing a program on this. This is what we're coming to.

We also have developed a program—and this will be initiated in July of this year—where we're going into the ghetto area—not only the ghetto area, but the rural areas, too—with mobile vans. You referred to the VA field offices a few moments ago. We're going to actually have a mobile VA office to go into these ghetto areas and to go into the rural areas.

Again, I think there's a difference here. Personally, I'm convinced we do reach these people, but we've got to motivate these people. I agree with you 100 percent.

Chairman HARTKE. If you think you've reached these people, I'll take you with me and show you you're not even close to it.

Mr. OWEN. By going into the areas with the mobile vans and mobile contact office, we hope to have our counsellors there in order to motivate them.

Chairman HARTKE. Mr. Owen, let me just indicate the problems you are going to face. You go into most of these areas where you have a high concentration of unemployed young people, and you are going to find some of them who are "on a trip." Drugs are a big problem. The people who have been dealing with this problem have found that they cannot work with mobile vans alone. They have to go ahead and find a way to get an association with these young people so that at least they trust them first of all. They've got to get their confidence. Veterans with drug problems are not going to be the easiest people under the sun to deal with.

What the Veterans' Administration has been dealing with and what you're talking about are the easy ones, the cream of the crop. There's no real problem with a person who comes from a relatively affluent background, who goes on to do his stint in the military service, comes home in 2 years, and has a father who's a lawyer or a doctor, for example. Nine times out of 10 you don't have to worry about him. He'll go back and get his educational benefits.

On the other hand take the person who comes from a broken home, who never knew his father and whose mother is on welfare. He was drafted into the service, and he comes back uneducated, untrained, returning to the environment of the ghetto. He's the veteran I want to know how you're going to reach.

Mr. OWEN. This is the very one that we're going to reach, Mr. Chairman, through going into these areas—the environments that you just described—with the mobile office.

Chairman HARTKE. But you say a mobile office. As soon as you say "mobile," you are saying that it's a hit-or-miss operation.

Mr. OWEN. It will not just be the office itself coming into the area. This will be a base for our people to operate from. We will have people working from this office. We'll actually go into the areas and attempt to, and we hope that these people will, in fact, we not only hope, but we assure you that most of these will be the Vietnam era veteran who will be working with these people to bring the message to them, to hopefully motivate them.

Chairman HARTKE. In your prepared statement, you say: "Studies by the Veterans' Administration show that veterans often must augment their income by part-time employment." You say, "We recognize the GI bill was not designed—and given the diversity of tuition charges among schools, could not be equitably designed—to cover all of a veteran's educational costs."

This is the reason I asked you the initial question about parity of benefits. I came back from World War II. Now, I didn't come from a rich family. I didn't have anybody to help me financially. All I'm going to tell you very simply is that if I would have had to "augment" my educational costs when I came back, I couldn't have done it. I had two scholarships for law school when I started out, but they were taken away because they were not reassigning those to anybody who was getting benefits from the GI bill.

I don't know about you, but I came back, and I got everything I needed. I'll repeat this story for you. I was married while I was in the service. The oldest of my seven children was born and the second was on the way. At that time I honestly thought, and I was pretty happy about it, this gracious Nation had said to me that they were going to recognize that the GI bill was designed to cover all of the veteran's educational costs, and it did.

That's why I asked you that original question. You're saying now that that's not the intention of the Veterans' Administration today.

Mr. OWEN. Let me respond, Mr. Chairman, that from the history of all the GI bills—World War II, the Korean conflict, and the present bill—that from all that I have understood and learned, it was never the intention of the Congress to provide a full subsidy to cover all the expenses of the veteran attending school. Let me emphasize again, that this is not the Veterans' Administration, but this is as you go back to the reports on the bills, the hearings, and the studies that have been made, that this was never the intention of the Congress, to provide full coverage for the expenses of attending school.

Chairman HARTKE. I will say, in addition to that, I was even given what they called at that time a "grubstake," when I got out of the service, a mustering out pay. Do you remember that?

Mr. OWEN. Yes.

Mr. **Taaffe**. $300; yes.

Chairman **Hartke**. I was pretty satisfied with my Government; I thought they were treating me pretty good. I thought I was pretty deserving of these benefits because of my service and because I knew some of those boys who stayed home, and they were really cleaning up. In other words, they were making good money already as lawyers. I was coming back trying to finish my education while they were out there really raking it in, which was pretty easy to rake in, because there was a shortage of lawyers, and those people had a headstart on me. The GI bill helped me catch up pretty fast, however.

I wonder if that's one of the reasons why you have just a little bit of a feeling of disrespect for the Government today. First, you have a war, which is very unpopular; and second, you have a country which really doesn't say to its veterans today that he is entitled to the same level of benefits which I received.

Mr. **Owen**. This gets into a matter, Mr Chairman—as a matter of fact, we have a tendency to forget the worse things and remember the better things as time goes on. And so I suspect that the World War II veteran does tend to think, in some instances, that we did cover all expenses.

But again, I think the reports on the bills, back in World War II right up to the history of these educational programs, will show that the Congress never intended to cover all the expenses. In some cases perhaps it does. In others it does not.

I would like to go on to the present bill. In 1966 the Congress enacted a bill that the base pay was $100 monthly, and this was the wisdom of the Congress to enact a monthly payment of $100.

Chairman **Hartke**. Would you call that "wisdom," or "unwisdom"? I was here, you know, and saw it; would you say "lack of wisdom"?

Mr. **Owen**. I would certainly never say that about the Congress.

Assuming that this was a correct approach in 1966, we're up now to $175, which is a 75-percent increase, and we're proposing to go to $190, which is a 90-percent increase, despite the fact that Consumer Price Index has only increased in that period of time 26.1 percent; and if you relate to tuition itself, it has only increased 42 percent. I want to state that I believe the Congress has been very generous in this area.

Chairman **Hartke**. We're not going to make all those assumptions. We're not going to assume they had complete wisdom. We're not going to assume this was the correct approach. We're going to take a clean, hard look at the whole system of educational payments.

I would like to ask you, if it's all right, Mr. Owen, just to step aside for a moment. I would like to hear a statement from the young veteran who has come here from Indiana.

Mr. **Owen**. Certainly, Mr. Chairman.

Mr. **Littrell**. I'm Henry G. Littrell, president of the Indiana State College Veterans Association.

Chairman. **Hartke**. Mr. Littrell, we welcome you here today. You may proceed, sir.

Mr. **Littrell**. Thank you, sir.

STATEMENT OF HENRY G. LITTRELL III, PRESIDENT, INDIANA STATE COLLEGIATE VETERANS ASSOCIATION

Mr. LITTRELL. What is the veteran today faced with in his attempts to obtain an education? Let us look first at today's GI bill and compare it to the GI bill of 1948.

A large gap exists between the benefits that were available to the veteran in 1948 and the veteran of the Vietnam era. In 1948, the Government paid for the cost of tuition, as well as books and supplies up to a maximum of $500 a year. In addition, a monthly subsistence allowance was provided up to a maximum of 48 months. In the case of a veteran who was married and had one child, the total package amounted to $7,760. That amount, rolled forward to today's dollar value, is worth $14,511. This figure, I would like to state at this time, was arrived by figures given by the Department of Labor. Today's veteran going to college who has two dependents and is receiving benefits under the present GI bill, has a package worth only $8,280 for the total 36 months he is eligible. This is paid in the form of a monthly subsistence allowance, and there is no Federal participation in the payment of tuition or books and supplies. The total package has increased only $520 for this type of individual in the last 23 years, a 6.7-percent increase.

I attend college at Purdue University in Indiana. I would at this time like to present to you the financial situation a married veteran with one child faces while attending school at Purdue. The following assumptions are made: (1) The veteran is going to school full time under the GI bill. (2) His wife is working. (3) This is a 9-month budget. (4) There is no car payment for the family. (5) There is no prior indebtedness.

An Indiana resident pays $700 in fees for a 9-month school year. I might add that this is at a State institution. He pays on the average $150 for books and supplies. Housing costs are $1,200; utilities, $220; telephone, $72; food, $900; new clothing, $270; laundry and cleaning, $100; personal expenses, $270; recreation and entertainment, $180; transportation, gas, and oil, $270; repairs, $150: insurance and license, $200; life insurance, $100; medical expenses, doctor and dentist, $150; prescriptions, $90; medical insurance, $130; babysitting, $720; for a grant total of $5,872. These figures were provided by Mr. Dick Tombaugh, our financial aid officer at Purdue University. The figures were arrived at on the basis of a survey that was made within the college community of Lafayette and West Lafayette.

Where does the veteran obtain funds to pay for the expenses he must meet while in the college environment? First of all, there are his veteran benefits of $2,070 for 9 months. Another source of income is a working wife. In our community, the average hourly rate of pay for a working wife is between $2 and $2.20 per hour. Assuming a $2.20 per hour rate, a wife could earn $340 a month after taxes, et cetera. This would provide additional family income of $3,060 over a 9-month period. This same amount added to the benefits received by the veteran would provide a total family income of $5,030 over a 9-month period, and the family would still be short $842. This leaves the veteran no choice but to go out and obtain a part-time job in order to bring in additional income.

How many veterans are willing to go to school under conditions such as these and endure the hardships that I have presented from the financial standpoint alone? The Veterans' Administration tells us that in my State, Indiana, we have 25.8 percent of the Vietnam veterans' population enrolled in some form of qualified educational programs. This is broken down further into four categories: College level, 12.3 percent; below college level, 10.5 percent; on-the-job training, 3 percent; and correspondence courses, 6.8. My State is seventh from the bottom in overall participation rate.

What concerns me even more, however, is the question of how many people drop out of the programs into which they enter. Further, of those who do drop from a program, how many drop because of financial reasons? In the rate the VA has provided is included anyone who has taken advantage of their benefits for at least 1 month. What the VA has not provided is the rate dropouts. What is noncompletion rate of individuals in the four categories previously mentioned? These figures are even more significant than the ones the VA has provided.

I can only conclude on the basis of the VA figures alone, that the veteran in my State cannot afford to take advantage of the many educational benefits available to him under the present GI bill, which is inadequate.

Another problem the veteran of today encounters is one of public indifference to the Vietnam era veteran. We credit a great deal of this indifference to the unpopularity of the contemporary conflict in Southeast Asia. We feel it is unfortunate the veteran must be left behind simply because of the whims of public opinion.

Gentleman, we have to answer one basic question. Is the veteran of the Vietnam war any less deserving than his counterpart of World War II or the Korean war? If we are not as deserving, tell us we are not and be finished with it. On the other hand, if you say we are just as deserving, then give us at least the same benefits, no more, at least the same benefits the veteran had in 1948.

It would seem that we always return to the basic issue of not having an adequate GI bill. If we had an adequate GI bill, we could eliminate a number of these special programs established because of the inadequacies of the present benefits. We could eliminate a number of special task forces established to study the problems of the Vietnam era veteran. The Indiana State Collegiate Veterans Association fully supports the four-point doctrine of the National Association of Collegiate Veterans Inc.

Thank you, gentlemen, for your time in listening to the problems I presented to you today. Although they are representative of the State of Indiana, I feel that many of the same problems exist in the other States of this country. Thank you once again.

Chairman Hartke. Thank you, Mr. Littrell.

One thing I believe has to be pointed out for the benefit of the Veterans' Administration is that when you take into account the increase in the cost-of-living, or the decrease in the purchasing value of the dollar, there are instances where educational costs have skyrocketed even higher than the general cost of living. There are estimates which I think were made by your National Association of Collegiate Veterans that educational costs have gone up 400 percent since 1948.

Mr. LITTRELL. That is right.

Chairman HARTKE. That, of course, represents an additional problem.

You heard the Veterans' Administration testify this morning that in their opinion they considered an 8.6-percent increase would enable most veterans to get by.

As a veteran, what is your reaction to this?

Mr. LITTRELL. I think they're in error, sir. I don't think they are aware of the situation in the field, as you have suggested, in many areas. I think it's unfortunate, because the club that the Veterans' Administration carries determines to a great degree the types of laws that are enacted by this Congress, which do affect people, the veteran in this case, and I think that we should be presented with an accurate, precise up-to-date picture of the situation rather than one that is misleading, purposefully as far as I'm concerned. I can come up with no other conclusion.

Chairman HARTKE. Just to review the situation current law provides for a person with no dependents to receive $175 a month. The Veterans' Administration proposed increase, under Senate bill 3059, would raise that $175 to $190. H.R. 12828 passed by the House increased it to $200. The bill which I presented today would increase that to at least $244. A veteran with two dependents gets $230 under current law. The administration proposal would raise it to $250 and the House-passed bill increases it to $262. S. 2161 which I mentioned this morning would increase it to at least $326.

Is it your opinion that today's veteran, the Vietnam era veteran, is he having a difficult time making ends meet when he goes to school?

Mr. LITTRELL. Yes, sir; he is. I have a letter with me. If you would like to take the time, I would read it. It's from the wife of a veteran in our community.

Chairman HARTKE. How long is it?

Mr. LITTRELL. It's 2 pages.

Chairman HARTKE. Go ahead and read it, it might be of some benefit to all concerned.

Mr. LITTRELL. It was addressed to me.

> DEAR SIR: I am writing to the Veterans Affairs because I feel that the treatment of the returning veteran is not what it should be.
>
> My husband returned from Vietnam with the idea of completing 4 years of college. It was understood that the GI Bill of Rights would take care of tuition and insure us of an adequate income. Our major complaint was the lateness of the mailed checks. Our rent was due the first of the month, and as of today, March 15th, we have not received our check.
>
> Due to his studies, my husband is unable to take on a part-time job. I am unable to find a job that covers baby-sitting costs. We are dependent upon the Veterans Administration check for payment of necessary bills, such as insurance, rent, food, car, et cetera. Many of us are attempting to establish good credit ratings, and when the checks are late it reflects on our credit. It's understandable that late checks are a problem. We are not alone in this problem. There are many other student veterans faced with this predicament.
>
> Perhaps the solution of this problem could be met by the VA mailing the checks out early enough to assure the arrival to the veteran within the first week of this month. This would allow the veteran to receive his check to enable him to pay his debts on time.
>
> Another problem we are faced with is the small amount of the checks. The transition from military benefits of $385 to the VA checks of $230 a month are difficult to adjust to. We find it difficult to meet the medical and dental bills which average families need.

After serving three years in the Army my husband finds it necessary to join the ROTC and serve two more years of service just to get the education he needs. The ROTC program will insure us an added income of $100 a month, which we find necessary to meet our obligations.

To enter college, we had to take out a school loan to pay tuition fees, and will not be able to pay off the four years of tuition until after graduation. We were under the impression that the GI Bill covered the tuition cost, but find living costs consume the monthly check and leave nothing for the school loan.

We are assured that a solution to this problem can also be found. We are in full agreement with the ideas behind the GI Bill. Pay should be on a scale such as the student veteran and his family receive a proportional amount higher than single benefits. It is unfortunate that today's economic situation causes problems, unfortunate for all Americans.

We did not expect to live a life of luxury under the GI Bill, but neither did we expect to starve. There are enough Vietnam veterans in this situation that a change must be made.

We are fortunate to be able to air our complaints, and work with others to see that situations are improved.

We appreciate any consideration given this letter.

Sincerely,

MRS. REX MYERS.

Chairman HARTKE. I believe that letter tells us quite a bit. Let me ask you one other question. Under the Emergency Employment Act one-third of all those employed by the State or city agencies under this act were to be Vietnam veterans. Do you have any experience in this regard? Do you know anything about this?

Mr. LITTRELL. Yes, sir. In all of my attempts initially to find out how the EEA funds were being distributed within my State, I couldn't find the source. I finally got to the Governor's office and gained information from there. We received no EEA funds at the university from the Governor's office, because he chose to make the funds available only to institutions over which they had a day-to-day direct control.

Our State is very sensitive because of "ghost" employees, as you might know. They weren't going to turn the use of the funds over to anybody who might abuse them.

In conclusion of my testimony, I would like to submit for the record two documents, which I feel are very important.

Chairman HARTKE. Without objection, it will be placed in the record at this point.

(Mr. Littrell submitted for the record the following information:)

TOTAL BUDGET

EXPENSES	Single	Married No child	Married 1 child	Married 2 children
TUITION, FEES (Indiana Resident)	700	700	700	700
BOOKS AND SUPPLIES	150	150	150	150
HOUSING				
HALL, HOUSE BILL OR RENT	1200			
PAYMENTS ON HOUSE OR TRAILER	-			
TRAILER SPACE RENTAL	-	1000	1200	1400
INSURANCE	-			
UTILITIES				
ELECTRIC, GAS OR OIL	-			
WATER	-	200	220	240
TELEPHONE	-	72	72	72
FOOD (IF NOT INCLUDED IN HOUSING BILL		720	900	1050
NEW CLOTHING		225	270	315
LAUNDRY AND DRY CLEANING		72	100	130
PERSONAL EXPENSES (HAIRCUTS, COSMETICS, ETC.)		225	270	315
RECREATION AND ENTERTAINMENT		135	180	220
TRANSPORTATION				
GAS AND OIL	400	270	270	270
REPAIRS,		150	150	150
INSURANCE, LICENSE		200	200	200
LIFE INSURANCE		50	100	150
MEDICAL EXPENSES				
DOCTOR, DENTIST		100	150	200
PRESCRIPTIONS		45	90	135
INSURANCE		80	130	180
BABY-SITTING	-	-	720	900
PRIOR INDEBTEDNESS TO BE PAID DURING THIS BUDGET PERIOD (FROM LIABILITIES LISTED ON PAGE 2)				
OTHER EXPENSES NOT COVERED ABOVE: Sub-total	2450	4344	5872	6777
Add'l non-resident tuition	900	900	900	900
" " " travel	50	-	-	-
	3400	5244	6772	7677
TOTAL PROJECTED EXPENSES				

INCOME				
ASSISTANCE FROM PARENTS AND RELATIVES				
ANTICIPATED SAVINGS FROM SUMMER EARNINGS (EXCLUDING WORK-STUDY)				
SAVINGS AVAILABLE OTHER THAN FROM SUMMER EARNINGS				
INCOME TAX REFUND				
EXPECTED NET EARNING – ACADEMIC YEAR (EXCLUDING WORK-STUDY)				
EXPECTED NET EARNINGS OF WORKING SPOUSE (IF MARRIED)				
ASSISTANCE FROM PARENTS OF SPOUSE				
GOVERNMENTAL ASSISTANCE (VETERANS BENEFITS, R.O.T.C. OR RESERVE PAY, G.I. BILL, VOCATIONAL REHABILITATION, SOCIAL SECURITY, ETC.) UNDERLINE WHICH				
ASSISTANTSHIPS, FELLOWSHIPS, COUNSELORSHIPS, (NET) UNDERLINE WHICH				
LIST SCHOLARSHIPS OR LOANS FROM SOURCES OUTSIDE THE UNIVERSITY				

COMPARISON OF G.I. BILL BENEFITS 1948 VS 1971

EXAMPLE: FULL TIME STUDENT WITH TWO DEPENDENTS

	1948 UNADJUSTED		③ 1948 DOLLARS ADJUSTED TO 1971	CURRENT 1971 BILL	
MAXIMUM PAYMENT TO SCHOOL	4 YEARS @ $500	$2,000	$ 3,740		-NONE-
SUBSISTANCE ALLOWANCE	48 MONTHS @ $120	5,760	10,771	36 MONTHS @ $230	$ 8,280
TOTAL CASH VALUE	①	$7,760	$14,511		$ 8,280
			NOTE: $520 INCREASE IN 23 YEARS/ 6.7%		
PURDUE EXPENSES					
FEES	PAID BY U.S. GOV'T				$ 2,800
BOOKS AND SUPPLIES	PAID BY U.S. GOV'T				600
RENT	② 48 MONTHS @ $40/MO	$1,920	$ 3,590	48 MONTHS @ $123/MO ④	5,904
TOTAL FEES, BOOKS AND RENT PAID BY STUDENT		$1,920	$ 3,590		$ 9,304
TOTAL SUBSISTANCE ALLOWANCE PAID		$5,760	$10,771		$ 8,280
ALLOWANCE REMAINING FOR FOOD, CLOTHING, MEDICAL, INSURANCE, ETC.		$3,840	$ 7,180		- $ 1,024 LOSS

REFERENCES:

① PUBLIC LAW #346 as ammended in February 1948.

② PURDUE UNIVERSITY GENERAL BULLETIN, 1948
(590 - 3 & 4 room apts., rental - $35 to $40/mo.)

③ U.S. DEPT. OF LABOR CONSUMER PRICE INDEX
1967 = 100
1948 = 66.9
SEPT. 1971 = 125.1
125.1/66.9 = 1.87
1.87 X '48 prices = 1971 prices

④ Post-freeze rental rates HSC II, 2 bedroom furnished, Purdue University, Lafayette Campus

H. G. Littrell, Purdue University

Chairman HARTKE. I'm afraid that I must leave now, but I'll be back tomorrow morning. I'm going to ask Mr. Cranston to proceed to take over and Chair the remainder of this session.

Senator CRANSTON. I would like to suggest that the Association of Collegiate Veterans witnesses come forward at this time.

If you don't mind, I would like you to listen to their testimony. It's a group with some current experience that I think could be very helpful to you.

Would you please introduce the entire group for the record?

Mr. BURMICH. Mr. Chairman, on my immediate right is Mr. Bob Sniffen of New Jersey. He's our vice president of public relations.

On my left is Mr. Patrick McLaughlin of Ohio University. He's our vice president of external affairs.

To his left is Mr. Hank Littrell from Indiana.

My name is Stanley F. Burmich. I'm vice president of membership, National Association of Collegiate Veterans, Ohio University, Athens, Ohio.

Mr. Chairman, in the interest of brevity, we would like to include our total testimony in the record.

Senator CRANSTON. That would be very helpful, and I appreciate that very much. The entire statement will go in the record.

STATEMENT OF STANLEY F. BURMICH, VICE PRESIDENT OF MEMBERSHIP, NATIONAL ASSOCIATION OF COLLEGIATE VETERANS, ACCOMPANIED BY BOB SNIFFEN, VICE PRESIDENT OF PUBLIC RELATIONS, NATIONAL ASSOCIATION OF COLLEGIATE VETERANS; PATRICK McLAUGHLIN, VICE PRESIDENT OF EXTERNAL AFFAIRS, NATIONAL ASSOCIATION OF COLLEGIATE VETERANS; AND HENRY G. LITTRELL III, PRESIDENT, INDIANA STATE COLLEGIATE VETERANS ASSOCIATION

Mr. BURMICH. I would like to turn to our prepared text and read some of our proposals, if we may.

The National Association of Collegiate Veterans recommends that the following four essential proposals be enacted by this Congress:

1. Provide for a minimum of a 20 percent increase in the monthly assistance allotment.
2. Provide for up to $1,000 per year for the cost of tuition, fees, books, and related supplies.
3. Extend the period of entitlement from 36 to 48 months.
4. Authorize a prepayment of 2 months of entitlement upon receipt of a veterans acceptance into an accredited program.

MINIMUM OF 20-PERCENT INCREASE

In addition, we advocate an increase in the first dependent allotment from $30 to $50 per month. An increase in the second dependent allotment from $25 to $40 per month, and an additional $20 should be granted for the third and each additional dependent.

It is important that veterans who are husbands and fathers not be discouraged from seeking a higher education. Many men whose lives have been interrupted for 2, 3, 4 years, or longer, have assumed added responsibilities and it is imperative that their situation be accounted for.

One cannot separate the rising costs of education and living in any proposal to ameliorate the present bill. Along with the educational payment, we advocate a minimum of a 20-percent increase in the monthly stipends. The percentage is not higher because we feel the payment of educational expenses will resolve a majority of the veterans' economic burdens. However, it is ludicrous to even consider a minimum of a 20-percent increase as realistic unless it is accompanied by the educational payment.

PAYMENT FOR TUITION, FEES, BOOKS, AND RELATED SUPPLIES

The collegiate veteran strongly supports the $1,000 payment for educational expenses. This approach is particularly equitable in that it covers the wide spectrum of costs from community colleges, technical and vocational schools, and State-supported universities throughout the Nation. The veteran attending a State-supported university in Pennsylvania does not pay the same for tuition and fees as a veteran in Mississippi. In effect, many veterans are locked into their State system and must pay the standard as mandated by the university system. At the same time, each veteran, regardless of State residency, receives an equal level of monthly assistance under the GI bill. The payment for educational costs would equalize the benefit level on a national scale and provide for the Vietnam veteran a GI bill comparable to that enjoyed by veterans of the "Big War."

Our Government should seriously consider an alternative and supplement to educational payments in the form of a guaranteed loan program.

The funding allowance of the World War II GI bill enabled the veteran to attend the institution he felt best suited to his needs. Many veterans, therefore, could and did enroll in private institutions. Unfortunately, this is not the case for the present GI bill. In fact, if the assistance level is not realistically assessed and updated, it won't be long before the Vietnam veteran finds himself priced out of the State university system. He has long been eliminated from the private university system.

We see a guaranteed loan program as feasible and, given the current economic pinch, a realistic one. The veteran recognizes the enormous cost of private higher education and realizes there is no possibility of receiving the level of assistance needed to attend these institutions. A guaranteed loan program will place the burden of seeking a private education on the shoulders of the veteran and not the general public. The veteran would then have some degree of latitude in selecting the school of his choice. The veteran is not asking for a bigger piece of the pie; rather, he is willing to accept a low-interest loan which he can repay after graduation.

This measure would be particularly applicable to the veteran who is not able to attend, due to lack of space, one of his State-supported universities. The simple matter of State residency severely hampers those who are forced out of the State system to another where they must pay out-of-State tuition and fees.

It should be noted, however, that consideration of the guaranteed loan program, without at the same time providing for education payments, would necessitate a drastic increase in monthly assistance allowance. In this regard, we suggest a 48-percent increase in the monthly assistance allowance, from $175 to $260. Our dependent proposal is applicable here and would remain as stated above.

We feel this approach will eliminate the possibilities of misuse of Federal funds by those who may have abused the system after World War II. In our proposal, the veteran will receive and manage his own funds, thereby preventing possible abuse. The important point to remember is that after a veteran has paid his tuition, fees, books, and related supplies, he must feel he can exist from month to month on the remaining amount. If he believes he cannot do this, the GI bill is not a viable alternative to him. By exist, we mean rent, utilities, food, medical, and dental expenses. This does not take into account clothing costs, life insurance premiums, cost of travel, and many other related and necessary costs.

INCREASE FROM 36 TO 48 MONTHS

The economic problem is the major source of discontent and detriment to veterans in higher education today. Under the existing GI bill, many veterans are forced to work in order to stay in school. The problem is, specifically, that many veterans find themselves forced to work more hours than they can successfully balance with their academic studies. This is not the intent of Congress. A veteran can receive full-time allowance under the GI bill by carrying a minimum of 12 credit hours per quarter or semester. If an individual is enrolled under the semester system taking 12 hours per semester for 4 years, he accumulates 96 hours. This is 24 hours or four-fifths of a year short of the required 120 hours needed to graduate. On the quarter system, 4 years of the minimum requirement will accumulate 144 or 36 short of the 180 necessary for graduation.

In effect, many veterans are reluctantly forced to decrease their total number of hours per session in order to work additional hours. This problem can easily be ameliorated if the new GI bill provides a more realistic level of assistance. Hopefully, this will occur, and next fall the veteran will no longer be forced to decide between academic hours and employment hours.

Our primary concern regarding the increase from 36 to 48 months unfortunately cannot be eliminated by equitable funding under the current GI bill philosophy. Specifically, the employment market today requires, in many instances, the applicant to attain a higher than bachelor's level degree in order to compete with others. It is possible for an individual to graduate from college, enter the employment market, and not even qualify to fill out an employment form, much less compete for a job.

Our concern is not with the veterans who have other means of support to rely upon to cushion the costs of higher education. Rather, with the great numbers of young men and women who have struggled diligently to pull themselves out of the inner city, Appalachia, reservations, and the lower income segments of society in general. An increase from 36 to 48 months would be the determining factor for a number of veterans to continue and obtain a necessary graduate degree. It would mean the difference to a veteran that has worked full- or part-time for 4 years and who, by virtue of this, may not academically qualify for a scholarship although he satisfies the admission's requirements. The continuation of his GI bill for graduate study, plus a loan, will make it economically feasible for a veteran to compete with his more fortunate peers.

The Vietnam veteran is aware of the economic discrepancies existing between the level of support enjoyed by veterans of the Second World War and veterans of the Vietnam war. He realizes his cause has not been a popular one, either with the Congress or the American people. He has given up the hope of ever attaining a GI bill comparable to that bestowed on his father's generation by a grateful Nation. However, he will not, and should not, concede the discrepancies existing in the opportunities accorded to the two generations. Specifically, the level of attainment differences that distinguish the ultimate value derived from a 4-year degree in 1950 as opposed to a 4-year degree in 1975.

In conclusion, we do not foresee the increase from 36 to 48 months as a catalyst to induce the veteran to go on solely to consume an additional 12 months of benefits. We know it rather as an equalization of opportunities to those enjoyed by our predecessors.

PROPOSED PREPAYMENT

We feel that one of the greatest complaints which the veterans have—that is, the period of time between which payment must be made for tuition and fees and receipt of benefits—can be dealt with by granting the VA the authority to advance a prepayment of up to 2 months to the veteran at the beginning of each school year with subsequent checks for each month in advance. We realize that some schools are granting tuition deferment, but for those who are not, we feel very strongly that Congress should take appropriate action to remove this initial barrier to education by providing the "front money" which has long been a problem. This should apply not only for the first year of the program, but also for all subsequent years.

SUMMARY

In summary, we would like to point out that we have offered a number of specific proposals and alternative provisions which we feel to be not only workable but also realistic. We have attempted to be reasonable in our requests, and each, in our opinion, deals with a specific problem area which we as student veterans have encountered. We feel that each of these should be dealt with by Congress to eliminate the troubled areas.

Top priorities should be assigned to: (1) Assisting those already enrolled in programs to a successful completion; (2) helping those not in programs over the initial barriers to enrollment; and (3) enabling the Vietnam veteran to choose the course of study and institution which, in his opinion, best suits his particular needs.

We thank the committee for the opportunity to be here today to speak for the Vietnam veteran.

Senator CRANSTON. Thank you very much.

Senator Thurmond, I'll proceed for about 10 minutes, and then you may ask any questions you might have.

Mr. BURMICH. Mr. Chairman, we would also like to have included in the record the statistical analysis that we have compiled on our own.

Senator CRANSTON. Fine. That will go in the record.

Mr. BURMICH. Thank you, sir.

(The statistical analysis is as follows:)

NACVI Statistical Analysis of Veterans Attending State Supported Colleges and Universities

Questionnaires were sent to Veterans Organizations at 400 state supported institutions. These statistics are compiled only from those states in which the results have been finalized, i.e., Montana, New Jersey, Ohio, Wisconsin, Minnesota, Mississippi, Missouri, West Virginia, Michigan and Nebraska.

Statistical Data upon which our contentions are based to support what we feel to be an equitable G.I. Bill.

I. Increase in Monthly Subsistance Allotment:

A. 54.5% of those veterans polled were single

B. Of those married 40.1% had one or more children

C. 30.8% are going to school year-round; 61.2% going 9 months per year; 8% less than 9 months per year

D. 86.5% of those going less than 9 months per year stated financial reasons

E. 37.5% of those polled had missed a quarter/semester for financial reasons

F. Of those who were enrolled less than full time (12 clock hours per quarter) 86.4% stated that the reason was financial.

G. In answer to the question "If you work during the Summer, how much are you able to save toward your education?".

1. less than $500 -- 59.9%
2. $500-$1000 -- 28.4%
3. $1000-$1500 -- 8.9%
4. more than $1500 -- 2.8%

H. In answer to "The total cost per school year to you for all facets of your education is:"

1. $1500 or less -- 4.2%
2. $2000 -- 12.3%
3. $2500 -- 18.5%
4. $3000 -- 20.0%
5. $3500 -- 15.1%
6. $4000 -- 9.8%
7. More than $4000 -- 20.1% (out of state fees cited as reason for this data)

I. 68.2% must work during school months of which:

1. 16.6% work less than 10 hrs/wk
2. 41.1% work 10-20 hrs/wk
3. 25.5% work 20-30 hrs/wk
4. 11.3% work 30-40 hrs/wk
5. 5.5% work more than 40 hours/wk

NOTE: 16% indicated that they held more than one job during school months.

J. 93.8% of the collegiate veterans felt that a substantial increase in aid would significantly reduce the current veteran unemployment problem.

K. 98.3% felt an increase in aid to be essential at this time

II. Increase the number of months of entitlement from 36 to 48:

A. 49.4% indicated that they would not be able to obtain an undergraduate degree within the allotted 36 months of entitlement

B. 60.3% said that they needed graduate work in their chosen field of study.

C. 96.4% of those polled support this measure

III. Federally Guaranteed Loan Program:

A. Only 9.5% receive additional scholarship aid from the Federal, state or local level

B. Of those who do receive other aid

1. 16.4% receive less than $250 per year
2. 26% receive $250 - $500 per year
3. 57.6% receive more than $500 per year

C. 44.6% have had to secure long-term loans to enable them to remain in school; 43.2% had to secure short-term (90 day) loans to hold then until VA checks arrived.

D. 80.4% said they were unable to rely on parents or relatives for financial assistance

E. 84.3% support this measure

IV. Prepayment of up to 2 months upon certification of enrollment:

A. In answer to "How much money do you need during the first quarter to hold you over until VA checks arrive?

1. less than $250 -- 10.3%
2. $250 - $350 -- 28.5%
3. $350 - $450 -- 28.7%
4. $450 - $550 -- 16.3%
5. $550 - $650 -- 10.0%
6. more than $650 -- 6.2%

B. (See short term loans, Sec. III, Art. C)

V. Other:

Tutorial Program

A. 31.1% stated that they had been in need of tutorial assistance to help them through a course needed in their major

B. 90.6% of these men were unable to secure the VA funds to reimburse them for this tutorial assistance.

Disabled

A. 6.1% of those polled are receiving vocational rehabilitation benefits for a disability.

B. In response to "Do you feel the amount accorded you on a percentage of disability basis to be equitable?" -- 77.3% said no

C. In response to "Have you recently had your percentage of disability reduced by the VA?" -- 22.7% said yes

D. "If Yes -- you feel the reduction was justifiable" -- 90% said no

E. The question posed was -- "Frequently during meetings we are asked if Disabled Vets are pretty well taken care of -- If you are disabled, do you think they are?" -- 70% said no

NOTE: These statistics on the disabled are somewhat different than we had anticipated. We are instituting a study to determine the cause and although we have no specific proposals to make at this time in this regard, the preliminary study indicates some may be needed to account for an apparent disparity.

OPPORTUNITY FAIR QUESTIONNAIRE RESULTS

The first set of statistics were arrived at by combining the answers of two questions. The first--What opportunity are you most interested in at the fair? (Listing: Employment, Education, On-Job-Training, Apprenticeship, Social Services and Other.) The second question states--If you have more than one preference, please list them in the order of importance to you.

I. DAYTON: Opportunity being sought in order of preference.

	1st Preference	2nd Preference	3rd Preference
EMPLOYMENT	60.40%	28.20%	13.30%
EDUCATION	23.80	30.60	23.40
APPRENTICESHIP	7.50	24.70	33.30
ON JOB TRAINING	6.62	9.42	13.30
SOCIAL SERVICES	1.76	7.06	16.60

I. COLUMBUS: Opportunity being sought in order of preference.

	1st Preference	2nd Preference	3rd Preference
EMPLOYMENT	59.20%	16.60%	15.00%
EDUCATION	22.60	41.60	5.00
APPRENTICESHIP	7.83	12.50	45.00
ON JOB TRAINING	7.83	20.80	20.00
SOCIAL SERVICES	2.62	8.34	15.00

NOTE: That for first preference in both Dayton and Columbus fully 40 percent of vets polled indicated either education or training. Regarding second and third preference one can readily view the predominance of education and training. In effect, this supports our contention that veterans are significantly interested in areas other than employment. Our duty is to present alternatives to the veteran showing him an objective within reach. In other words, the state of the economy being what it is (i.e. no jobs), we must stress alternatives to the Vietnam veteran. Education and training are the alternatives to full-time employment. That is why the Opportunity Fair stresses the importance of education, training, apprenticeship and soc ial services to the veteran, as opposed to an indirect connotation of jobs for all.

Our next objective was to determine the type of institution the veterans were attracted to, and in what order.

II. DAYTON: School preference of those seeking higher education.

a) Technical Institutes--- 31.90%
b) State Universities----- 29.00
c) Vocational Schools----- 18.95
d) Community Colleges----- 15.95
e) Private Colleges------- 4.14

II. COLUMBUS: School preference of those seeking higher education.

a) State Universities----- 39.1%
b) Technical Institutions- 33.7
c) Vocational Schools----- 15.2
d) Community Colleges----- 7.6
e) Private Colleges------- 4.3

NOTE: One can readily view the trend towards technical and vocational education apparent in both cities.

In response to a general question relating to the adequacy or inadequacy of the GI Bill, we received the following information.

III. DAYTON:

a) 34.5% indicated the GI Bill would be adequate to meet their needs after enrollment in school.

65.5% indicated they would need financial assistance in addition to the GI Bill or part-time employment, or both.

COLUMBUS:

a) 29.9% indicated the GI Bill would be adequate to meet their needs after enrollment in school.

70.1% indicated they would need financial assistance in addition to the GI Bill or part-time employment, or both.

IV. Of those wishing to attend a State University or Private College.
DAYTON:

a) 19.7% indicated the GI Bill would be adequate.
80.3% indicated it would not.

COLUMBUS:

a) 24.4% indicated the GI Bill would be adequate.
75.6% indicated it would not.

V. Of those wishing to attend a Technical Institute, Community College, or Vocational School.

DAYTON:

a) 44.8% indicated the GI Bill would be adequate.
55.2% indicated it would not.

COLUMBUS:

a) 27.8% indicated the GI Bill would be adequate.
72.2% indicated it would not.

VI. DAYTON:

a) Of those who had attended college prior to the service.

1) 19.5% indicated the GI Bill would be adequate.
80.5% indicated it would not.

b) Of those who had not attended college prior to the service.

1) 39.4% indicated the GI Bill would be adequate.
60.6% indicated it would not.

COLUMBUS:

a) Of those who had attended college prior to the service.
1) 27.3% indicated the GI Bill would be adequate.
72.7% indicated it would not.

b) Of those who had not attended college prior to the service.

1) 28.9% indicated the GI Bill would be adequate.
71.1% indicated it would not.

VII. We asked-Would you be willing to support a State GI Bill for Ohio veterans?

DAYTON:	COLUMBUS:
85.5% - Yes	88.5% - Yes
3.8% - No	3.8% - No
10.7% - Undecided	7.7% - Undecided

VIII. Future OHIO OPPORTUNITY FAIRS

CINCINNATI	NOV. 30
YOUNGSTOWN	DEC. 1
CLEVELAND	FEB. (tentative)

The following comments were expressed by Veterans at Opportunity Fair for Veterans in Ohio. They were responding to a question posed by the National Association of Collegiate Veterans (NACVI) on a questionnaire distributed at the event. The question--In your opinion, is this Opportunity Fair a Success? If so, why? If not, why not?

No effort has been made to edit the response, the comments appear here as they appear on the questionnaire. These comments do not encompass all of the suggestions or criticism expressed by the veterans attending the fair. Although, they are a representative sample.

DAYTON OPPORTUNITY FAIR

(Oct. 13, 1971)

Because it help the Gi. what need's help in a good Job. in we need help. So pleas help us so now i must close thise letter. in I hope i be the. one you called.

The Fair was a good success.

The Fair itself seemed a success., but what has it been able to do for the veteran of WWII? He's now in his middle or late forties and if he has no higher (college) education, he's in pretty bad shape. Employers are reluctant to hire him because of age, regardless of his being a veteran. The older "vet" still has good and responsible qualities for employment.

difficult to determine because of present economic condition, no jobs available

In my opinion the Opportunity Fair is a Success, because, judging by my experience with it, it answers a person's questions efficiently. The list of booths was very helpful. One of the booths from which I sought help was unmanned, VIF., the legal-aid society of Dayton. I sought information on educational opportunities and educational benefits for veterans. On the whole, I was pleased and satisfied.

On the whole, it was successful. However, if there were more programs (say 2 to 4 times per year), it would be more successful and also be in closer touch with the near future of the economy and the employment situation overall. Also, I received no formal notification whatsoever as of 8:00 A.M. to day about the fair, I found about it on my own.

Yes--if one person can benefit from this assistance, then it cannot be a total loss. If more than one, progresswas good. If more than 2 people, then it was a success.

The Opportunity Fair was successful in that an individual could make contact with numerous employers.

Criticisms:

1. Some representatives did not remain at their booths. Between 3:00--5:00 P.M. many representatives were absent.
2. There seemed to be some mix-up in the placement of booths. Some reps were not in the area allotted them.

The hostesses and services provided by the Red Cross were greatly appreciated.

In my opinion:

I believe the Opportunity Fair was a great significant concept for veterans in obtaining first hand relations with perspective employers, educators and assistance toward their future goals.

The last question on this form is most difficult to answer in these times of economic recession. If one comes here unemployed he will view the line at certain boothes with sinking hopes. The colleges and universities are overrepresented. A large lie has been perpetrated in this country that education is the panacea for all our ills, it is not. I appreceate the opportunity that the fair possibly offers and the time invested by employers is generous. The idea of the fair is sound, when the economy is sound.

It's a very good idea. Even the slightest hint of help or interest is appreciated and useful. However, I did notice at the latter part of the day, many representative were leaving before the publecized end of the program. This deprived many of the guys the opportunity to talk with them. If this problem could be alleviated, it would help.

I feel that this Opportunity Fair is a success, in that the turn-out has shown that Vets are interested in such a program as this. It affords the Vet the opportunity to confront situations that interest him most.

As I see it the set-up is very proficient, and well organized.

No! Out of nine employers that I had circled to see I found one booth manned. However, the school booths that I talked to were very helpful and had plenty of literature available

Many contacts available which more than likely would not be available this easily elsewhere. Be sure to remind co.'s to be honest, i.e. don't say they might hire if in fact they have no plans to do so.

The only criticism is that the company's didnt remain untill the stated time of 5 PM. Knowing this I would have left school eariler to get here.

The atmosphere here was very relaxed and offered a chance to talk with many representatives. It was better than going door to door and also one can be aware of possible employment.

I think that the whole thing is a Big Farce. Most of the Businessmen here seem to have come for one purpose--Advertisment of their Product. Their only other motive could be to make themselves look good in the eyes of the public.

As to the question of Success--my question is Success for Whom? Considering the motives of the employers (?), I would say this is very successful for them, although I cannot see any success for the unemployed veteran without a collage degree or 3 or more years of experience.

I'm sure that the "Vets Opportunity Carnival" will recieve much acclaim from the community, after overhearing a conversation of some newsmen concerning the cutting of criticism from the taped interviews.

You have succeeded in fooling the public and perhaps yourselves, the Business Representatives have succeeded, but 'we' have not succeeded.

Who was the "Vets Opportunity Carnival" for, anyway?

As far as the education aspects of the fair very good. But the employment phrase was very poor. For example NCR has about 4,000 or more people in the street without jobs and they out here rapping to a vet about a job. It appears to me that the fair was just a waste of my time and your time too.

everyone was very interested in helping and had plenty of information for me. Im sure there are more technical schools and State schools that could be represented. This is a good place to start looking for employment. It gives a person a chance to meet every type of employer or school and not have to make a lot of phone calls and driving all over downtown

I believe this oppertunity fair is a success in so far as to give individuals the oppertunity to come into contact with so many employers at one time.

There were too many companies listed that were not represented and not enough offering training programs. The training programs would the gratest asset to the fair. The lack of training is, I believe, one of the major reason of the unemployed.

Yes--because it gave me leads to find employment throughout Ohio and other states. But there were no hospital representatives here and there were a lot of veterans with prior medical experience that would like to continue in this field.

Yes. I would say the fair was successful. It gives the veteran an opportunity to contact a large number of potential employers without excessive expense from travel etc. It also gives him an opportunity to discuss what types of positions are available and what training is needed to qualify.

I think it was a big joke. I'm not trying to be funny, but I came here to see five companies. Out of those five only one was present.

In my opinion the fair isn't very good, as far as Jobs! are concerned yes there is a opportunity to see and hear about the jobs that are open, but the job requirements are so high that!

Well let me put it this way. The fair is a beautiful thing for someone who has three (3) or more years in college! But a big disappointment to someone that hasn't finished high school! And this was my first fair.

The fair was a success to some maybe that had college or special training in the service. I graduated May 70, went into the service Dec 11, 70, and received honerable disscharge Mar 18, sorry for it. I am married and have one son. We bought $10,000.00 of household goods, and a car and paid cash. We only owe for rent. We have no hospitalization or life insurance because of our money situation. I would like to get in on apprenticiship on air conditioning and heating, like Butler Inc, and go to a vocational school on Hope road and train while getting experience and being paid for it. Salem Chrysler Plymouth isnt but a mile from my home but I can't get a job without a certificate from a school. I can finance my training at night school and still learn what I don't know at work and get paid for it. But how can people like us get some jobs we want without a degree and still knowing most about the job. We need the job training and go to school at the same time. A friend of mine, Bruce Ballard works at Butler Heating and air conditioning and that I could do with training in the job and go to school to learn about it. But how can we get a chance?

I feel the Fair is very good. It helps people such as myself to get out and meet these people. It makes you feel as though people do care about a Vet.

I think that you should have more thing for students on a part time base

Sir: I feel this is an excellent program, and who ever is responcible for its concept, and organization should most certainly be congradulated and thanked. The information that most veterans need is here, with eager help to locate it.

I expect to hear much applause from the community for the V.O.F. deserves it and more. I also hope that industry and the V.A., and Vet. Service Clubs take note and sponsor this type of affair 2 or 3 times each year.

Many Vets, like my self, who are unskilled ans who have families, need Jobs now. Not talk of schools.

No.
We need jobs. We are trained in one thing. And must work in another. The ones that are or didn't have fighting mos. are trained men in a good career field. Give us the same job in the new world.

Sure I think this opportunity is fair, but for those who did not Graduate from High school has a poor chance.

I think the Fair was a success. It was well organized. It helped a lot of people find out about jobs and schools without spending days going from one place to another. I would suggest, however, that it be extended to more than one day. The employment card also needs more room on it to explain disabilities as handicapped Veterans won't have false hope built up when applying for a job and then turned down when they fully explain their handicap.

COLUMBUS OPPORTUNITY FAIR

(Oct. 20, 1971)

Yes--but no one is hiring.

I think the fair is a complete success on information to the Veteran. The only thing wrong is that people come here hoping to get a job yet only if you have the qualification could you be accepted.

I am undecided because of my late appearance. Judging from the Vets here when I came, I would say the attendance was low. I think this fair should have been announced much earlier and held on a weekend. Maybe this will gather more Vets here. I hope that another fair will be planned soon. Thank you.

I think the fair is a good idea I have been back 4 weeks from Viet Nam I am drawing unemployment now but have met some companys at the fair so maybe I can get a job.

Keep up the good work

Fair. In the future, increase the amount of info. telling the when, where, and time of the fair--low attendance may be to not enough people knowing of the fair.

Thanks to the people who set up the "Fair"--and to the firms that took part!

I think it was a lot of sucess not because it might give me a job. But because it brought a lot of jobs that are to be found to my attention.

Yes, Because I think its about time people showed some appreciation for returning vet. I've tryed to get quite a few jobs since I've been out and from what I've encountered the statement made on T.V about hiring the vet didn't mean a thing.

This program seems to be doing a little more than just talking about it.

Yes.
Because it's main purpose has been fulfilled. That is to inform the Vets about where the jobs are or educational opportunities, etc. One suggestion is that all the representatives stay the full time. While making my rounds I found a few representatives had closed shop. I did check these booths more than once over a 3½ hr. period. Another suggestion is that when a representative leaves his booth he should put a sign saying that he will or will not return.

The success will accure if and only if it assist people in finding a source of employment that will aid them in bettering their present standard of living. To make a display of non-available jobs is of no service to the veterans. Veterans are aware of promises that have been made in the past. To make games and present information is not what is needed. Success is employment or the persuit of a goal that is for a better over all person

Furnished information on career and education opportunities. Was able to apply for several job opportunities at one central location, plus had several questions to ask about educational opportunities.

it is succesful as far as employees are concerned but as for the job seekers it is a different situation employers are seen in the lime light as for doing their part for the community but not really giving up the jobs in the future I think you should omitt employers who do not have openings or not expecting openings for quite some time and then maybe next time there will be some hiring along with all the talking and advertising

In my personal opinion the Veterans Fair is a most rewarding ocassion. It has given the Veteran a opportunity to view civilian life as it now is and what is available to him. I only hope there is more advance publicity in the future as we did not reach our maximum.

If I were to give the fair a rating it would be a B.
There were some salesmen that came unprepared with the full facts pertaining to the job at hand.
They should express more the advantages and disadvantages of the job--whether they prefer college graduates or a person with experience of out program and not beat around the bush.
They should have more interstate corp. represented from other states and cities and not just from Columbus because not everyone is planning to stay in this area.
All in all though I think it opened up my thoughts and will help me decide better on what I want to do in life. Thank you.

I would express an opnion that this is only a partial success due to the availability of jobs in the Columbus area in some fields. Many of the people I talked to at several booths were very friendly but express a view that no jobs are at this time open within the organizations that they represent. This may be due to the wage-prize freeze and total economic state of the nation. Also where jobs are availible, there is often times no adaquate program for farther training or advancment.

It has good meanings, but why have all these employers and no jobs.

I'm attending O.S.U. & can only stay here a few minutes today; so I don't feel that I'm qualified to answer question #9. I'd like to recomment that the opportunity fair be held through the late afternoon & evening, or on a weekend; so that more people could take advantage of it.

It is a great idea. Seems to be well organized. The attitude of the people I talked to was very enthusiastic and sincere. I learned alot about financial assistance for education.

One gripe that hasn't been satisified is:

The G.I. Bill which I am receiving is NEVER-on time. I've been enrolled eligible for full benefits since April. But I've only received 3 checks (one of which was $6.38). My wife had to forego this quarter at O.S.U. so I could continue at C.B.U. etc.

I went to 6 tables and found all of them empty. It's a bigger farse than I expected.

yes It enables an Ex-GI to find the job or school he wants.

Being that there all here in one building, it helps to find answers faster, without having to drive allover the state.

A job well done.

Thank you.

No--because you leave with a feeling that there is no possibility of a job unless you have a marketable trade

I do not know enough about this opportunity Fair to comment on it. But any program that helps Veterans to meet prospective employes and allows them to apply for jobs must in itself be a good program.

I think that generally speaking the fair was a success. I feel that it should have had greater coverage by the news media so more Veterans could take advantage of the opportunities offered. I would have like to seen a greater representation of employers, although representation was adequate.

There is a very large selection of job prospects school and apprinticeship training. It would be almost impossible not to find something to assist a veteran to obtain employment.

No.
I've been to most of the places and I got no response towards a job. They want experience but nobody will give you a chance to get experience. Some places will hire you if you know somebody or you have a relative working for them.

Unsuccessful! All or the employer I talked with had no openings available

I thought it was a very good opportunity to be gotten informed on a variety of jobs & companies. I feel also that it was educational as far as some companies were concerned to see how many servicemen are in need of jobs & skills to get back into a civilian career. But as a help to veterans as far as specific job opportunities & job offers, it failed tremendously. Veterans want somewhere to turn for jobs after they have hoofed it for several weeks or even months. This was not the place for that. It was a big success for the businesses & the city of Columbus, I guess, though.

I'm grateful to the Association in bringing together so many representatives for Empolyment Opportunities and services. . and providing the first real help I've had in obtaining information one Empolyment & Education and Veteran Benefits. since being released in 1969 It has beem a real help and lift to my morale.

I would like to comment. on that I observed. the press and news media appeared to be blowing up what was really going on and there was and air of it being used to a political advantage. The Fair was a sucess but not a big as the TV Media would have it seem

Next year I would suggest, if possible in helping the Veterans when he first comes to the fair

I had no Ideal were to go or where to start

I started at the movies that where being shown with the thought that they could help me where to start. but they had their own subject they wanted to convey. No help there' So I stumbled around for about 40 min trying to find my way and finally did. but wasted a lot of time doing it.

Greatest helping-hand I've seen offered Vets, since Returning from the USAF in March '69.
I comment all these personnel organizing or participating--
A damn good sham!

I would not say the Fair was not succesfull Because there Definately was an exchange of ideas and information. However, I feel those present wear not certain on which type of job they were qualified for and the companies tended to supply simply information about themselves rather than how they could use the Vet.

Also I might add, the lack of sufficient newspaper coverage or rather publisity on the fair probably caused fewer people in need of this service to be aware of it.

From what I participated in, yes, it was a success. The people involved were friendly and willing to answer all questions--from jobs to equality. One thing--I attended in the afternoon and all the booths weren't manned.

I got my notice of the fair at 300 the afternoon of the fair. When I arrived most of the prospective employers had already left. I could have found a job if I had known about the fair earlier.

The veterans opportunity Fiar--Is a great asset to veterans returning from the service
Keep up the good work

The Opportunity Fair is an excellent idea. There is nothing you can do if jobs aren't readily available, or if firms simply aren't hiring. This would obviously be the best aspect of the job fair. However, talking to employers is a help in evaluating yourself as well as the employer. You get an idea of what they're looking for and what you can do to make yourself more qualified for employment in the field of your interest. This Fair also shows someone cares and this is extremely important to the vets.

Whether or not the fair was a success depends largely on what the objective was. If the objective was to provide job opportunities for veterans then it failed. I don't think the participants were really interested in hiring vets.

Too Many Tables With No one at the Table--No Signs saying when they will be there. Also a help would be whether immeadite Employment is available. What each company does. ie heating & cooling Machinist, Sales. These would be great helps in the Interviews.

From what I observed and information I received I would say it should have been a success. I liked the large representations from various fields.

This "Veterans Opportunity Fair" is a BIG success for the city of Columbus--it shows that our city cares about, and is trying to help, us veterans. But, the fair, in general, has offered very little opportunity to me. I received Little or no job or training opportunity from any of the companies with whom I talked! So, for me, the fair offered only more disappointment in my job hunting.

It is a very fine fair that possibly could be improved by running it longer or possibly once a month.

VETERANS OPPORTUNITY FAIR

OCT. 13, 1971 9A.M. to 5P.M.

UNIVERSITY OF DAYTON ARENA

Learn about your opportunities for JOBS, EDUCATION, and TRAINING

Dayton area employers and educational institutions will have representatives at the Fair to answer your questions.

ALL VETERANS ARE INVITED

OPPORTUNITY FAIR FOR VETERANS 1971

Sponsored By

The Opportunity Fair For Veterans Committee

Honorary General Chairman

James H. McGee - Mayor, The City of Dayton

Internal Chairman

James A. Devlin

Co-Chairmen

Leslie D. Stickler - - - Frederick M. Jones

Organizations Participating in the Committee

American Legion of Ohio
Amvets
City of Dayton
Dayton Daily News
Disabled American Veterans
Montgomery County Veterans Service Office
National Alliance of Businessmen
National Association of Collegiate Veterans, Incorporated
Ohio Apprenticeship Council
Ohio Bureau of Employment Services
Ohio Bureau of Vocational Rehabilitation
Sinclair Community College
Sinclair Community College - Veterans Club
U.S. Department of Labor - Veterans Employment Service
U.S. Civil Service Commission
University of Dayton
University of Dayton - Veterans Club
Veterans of Foreign Wars
Veterans Administration Center - Dayton
Veterans Administration - Regional Office Cleveland
WHIO
WING
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Wright Patterson Air Force Base - Project Transition
Wright State University
Wright State University - Veterans Club

Special Thanks and Recognition to Contributors
to the Opportunity Fair for Veterans:

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Veterans of Foreign Wars
Wright Patterson Air Force Base
Wright State University Student Government

Sincere apologies to those groups and organizations who may have been overlooked in the listing of contributors. Be assured your contributions were appreciated and helped to insure the success of the 1971 Opportunity Fair for Veterans.

EMPLOYERS

Wing	Booth #	
A	115	ACACIA MUTUAL LIFE INSURANCE CO. Sales & Management Positions - Trainees
B	38	ADVANCE FOUNDRY Mechanical & Electrical Maintenance
B	82	AETNA LIFE INSURANCE CO. Sales of Equity Products - Trainees
A	94	ANCHOR RUBBER CO. Receiving Clerks - Sales Trainees
A	149	BACHUS-PALMERT GMC TRUCK INC. Truck Mechanics
B	85	BEHRLE PRINTING CO., INC. Opportunities in Printing Industry
B	14	RAY BRYANT CHEVROLET CO. Mechanics - Auto Air Conditioning Repairman & Trainees
A	169	BURROUGHS CORP. Sales Representatives - Office Equipment Repairmen
A	129	CASSANO ENTERPRISES Food Service & Restaurant Manager Trainees
A	137	CINDACO INC. Engineering & Sales of Bulk Material Handling Equipment
A	126	CONTROL DATA CORP. All areas of Computers - Operation, Programming, Management, Repairmen
B	48	CORDAGE OF DAYTON Warehousemen - Salesmen
B	58	DAP INC. College Graduates in Chemistry
A	162	DAYTON MENTAL HEALTH CENTER Nurse Aides - Orderlies - Attendants - Warehouseman - Maintenance Repairman - Barber
A	144	DAYTON ORNAMENTAL IRON CO. Welders - Designers - Trainees
B	36	DAYTON POWER & LIGHT CO. Possible Training in Entry Level Positions
B	40	DAYTON SCALE DIV. - HOBART MFG. CO. See Hobart Mfg. Co.
B	68	DAYTON STEEL FOUNDRY Maintenance Repairman - Machinists - Trainees

Wing	Booth #	
A	142	DAYTON TIRE & RUBBER CO. Pipefitters - Instrumentman - Sheet Metal Workers
B	54	DEFENSE ELECTRONIC SUPPLY CENTER Career Opportunities in the Military Supply Field
B	84	DELCO-MORAINE DIV., GMC Career Opportunities with Delco-Moraine
A	155	DOWNING OFFICE EQUIPMENT INC. Sales Representatives - Trainees
A	168	DYNAMIC SECURITIES CORP. Salesmen - Trainees
B	39	ELDER BEERMAN Career Opportunities in Retail Trade
A	166	ENGLEWOOD HILLS INC. Building Trades - Carpenters - Plumbers
B	25	EQUITABLE LIFE ASSURANCE SOCIETY of the U.S. Sales Management - Underwriters - Trainees
B	70	FEDERAL JOB INFORMATION CENTER All U.S. Civil Service Commission Opportunities
A	137	FRISCH'S RESTAURANTS Manager Trainees - Kitchen Personnel - Trainees
B	72	FULLER BRUSH CO. Sales Representatives
A	163	GEM MACHINE CO. INC. Machinists - Welders
B	81	GOOD SAMARITAN HOSPITAL Lab Technician - Microbiologist - Nurse Aides - Internal Auditor
B	40	HOBART MANUFACTURING CO. General - Technical - Professional Personnel
A	170	HUMBLE OIL & REFINING CO. Management Trainees-Service Station Attendants - Mechanics
A	138	INLAND MFG. DIV., GMC Opportunities with Inland
B	42	JACKSON COMMUNICATIONS Cable Splicers-Communication Equipment Installers-Linemen-Military Oriented Trainees
B	36	KENTUCKY FRIED CHICKEN Managers & Assistant Managers - Trainees
B	60	KETTERING AIRCRAFT CO. INC. Machine Operators

Wing	Booth #	
B	20	BILL KNAPP'S INC. Complete Restaurant Staff
A	133	LA CON PATTERN WORKS INC. Opportunities in the Industrial Pattern-Making Field
A	128	LANG'S CHEVROLET - OLDS Auto Sales & Service Positions - Mechanics
A	132	LINCOLN MOVING & STORAGE Drivers - Van Foreman
A	124	LITHO PRINT INC. Opportunities in the Printing Industry
A	141	THE MANUFACTURERS EQUIPMENT CO. Opportunities in Sales & Service of Industrial Equipment
B	78	MASTER DIV. OF KOEHRING CO. Production Machine Operators - Trainees
B	75	THE MAZER CORP. Trainees in Machine Operations
B	57	THE MC CALL PRINTING CO. Opportunities in Printing & Printing Management
A	165	METROPOLITAN LIFE INSURANCE COMPANY Sales Management - Salesmen - Trainees
B	46	MIAMI PLATING CO. INC. Opportunities in the Chrome Plating Industry
A	156	MIAMI VALLEY CHAPTER-NATIONAL ASSOCIATION OF SOCIAL WORKERS Career Opportunities in the Social Service Field
B	80	MIAMI VALLEY TRUCK EQUIPMENT INC. Installation of Truck Beds - Truck & Trailer Body Repairmen - Hydraulic Mechanics - Trainees
B	45	MIDSTATE PAINT MFG. CO. Mixer Operators - Tinters - Trainees
B	43	MISCO (McCall Information Services Company) Computer Operations & Programming
A	130	MOBIL OIL CORP. Electrical - Machine - Metal Trades - Building Trades Specialists - Process & Lab Technicians & Instrument Specialists - Trainees
B	21	MONSANTO RESEARCH CORP. - MOUND LAB Accountants - Safety & Electronic Engineers
B	47	MONTGOMERY COUNTY WELFARE DEPT. Experienced Case Workers - Social Workers
B	77	MUTUAL OF NEW YORK Sales Careers - Management Trainees

Wing	Booth #	
B	51	NATIONAL CASH REGISTER CO. (Production) Administrative-Office-Field Service Technician - Degree Graduates in Business Administration & Engineering
B	41	NATIONAL CASH REGISTER CO. (Sales) Sales Careers (Business Degrees) - Trainees
B	63	OHIO BELL TELEPHONE Operator-Service Representative-Order Typist - Lineman-Installer-Splicer-Apparatusman-Cable Repair - Trainees in all positions
A	123	OHIO STATE PATROL Career Opportunities in Police Work
B	35	PACIFIC FINANCE Careers in Consumer Loan Field - Trainees
A	120	PEFFLEY T.D. & P.A. INC. Auto Sales & Service - Mechanics
B	62	PENNINGTON BREAD CO. Salesmen - Drivers
A	121	PINKERTON'S INC. Industrial & Business Security - Guards
A	127	THE ANDREW PLOCHER SONS INC. Steel Fabricators, including welding & layout work - also trainees
A	140	PREMIER-DAYTON INC. Machine Trades
A	152	RANKIN & HOUSER Truck Drivers - Salesmen
B	65	REESE OPTICAL CO. Optical Grinders - Lens Grinders - Lab Workers - Optical Sales Representatives - Trainees
B	55	RENAULT OF DAYTON INC. Sales & Service - Mechanics
A	154	REYNOLDS & REYNOLDS CO. Data Processing - Computer Programmers
B	64	SACKSTEDER'S CATERING SERVICE Food Service Workers
A	159	SALEM CHRYSLER PLYMOUTH Auto Sales & Service - Mechanics
A	145	SEARS ROEBUCK & CO. Appliance Repairman
A	110	SHELL OIL COMPANY Management Trainees - Service Station Attendants

6

Wing	Booth #	
A	134	THE SPECIALTY PAPERS CO. Maintenance Personnel - Production Workers
B	18	THE STANDARD OIL CO. Management Trainees - Service Station Managers & Attendants
A	150	STANLEY HOME PRODUCTS Salesmen - Home Demonstrators
B	66	STENGERS FORD Mechanics
A	143	STILLWATER HOSPITAL Physical Therapists
A	167	SUNSHINE BISCUITS INC. Opportunities in the Baking Industry
A	157	SYNERGY DIV. - SYSTEMS RESEARCH Careers in the Computer Industry
B	76	THE TAIT MFG. CO. Engineering & Hydraulic Technicians - Mechanical Engineers
B	83	TECHNOLOGY/SCIENTIFIC SERVICES INC. Electronic-Medical-High Vacuum-Electro-Mechanical-CATV-MATV - Instrumentation Technicians
A	153	THE TRAVELERS INSURANCE COMPANIES Sales Management-Salesmen-Trainees
A	151	U.S. POST OFFICE Postal Employment Opportunities
A	118	VETERANS ADMINISTRATION CENTER Career Opportunities in the Veterans Administration
B	52	WRIGHT STATE UNIVERSITY Miscellaneous Workers
A	147	AERONAUTICAL SYSTEMS DIV. • WRIGHT-PATTERSON AIR FORCE BASE Information on Technical/Professional Careers
A	148	2750th AIR BASE WING, WRIGHT PATTERSON AIR FORCE BASE Civilian Careers with U.S. Air Force
B	73	XEROX CORPORATION College Grad Salesmen - Trainees

COLLEGES, UNIVERSITIES & TECHNICAL SCHOOLS

All of the schools listed herein are VA approved as of the date of the printing of this program. Many schools are present with Student Financial Aid Representatives, who will discuss other financial assistance information in addition to GI Bill benefits.

Wing	Booth #	
A	108	AL-WIN TRAINING INC.
A	106	AMERICAN AUTOMATION TRAINING CENTER
B	67	ANTIOCH COLLEGE
B	13	ASHLAND COLLEGE
B	28	BELL & HOWELL SCHOOLS
B	23	CEDARVILLE COLLEGE
B	11	CENTRAL STATE UNIVERSITY
A	109	CLARK COUNTY TECHNICAL INSTITUTE
A	139	COLUMBUS TECHNICAL INSTITUTE
B	8	DAYTON ART INSTITUTE
A	125	DAYTON BARBER COLLEGE
B	19	ELECTRONIC COMPUTER PROGRAMMING INSTITUTE (E.C.P.I.)
B	15	GRANDVIEW HOSPITAL (NUCLEAR MEDICINE TRAINING)
A	100	GREENE VOCATIONAL SCHOOL
A	131	HIRAM COLLEGE
B	29	HOBART SCHOOL OF WELDING TECHNOLOGY
B	69	INTERNATIONAL ACCOUNTANTS SOCIETY INC.
B	44	INTERNATIONAL BROADCASTING SCHOOL INC.
A	103	I.T.T. TECHNICAL INSTITUTE
A	113	KETTERING COLLEGE OF MEDICAL ARTS
A	104	LORAIN COMMUNITY COLLEGE
A	136	MIAMI-JACOBS JUNIOR COLLEGE OF BUSINESS
A	164	MIAMI UNIVERSITY
A	122	MICHIGAN CAREER INSTITUTE

Wing	Booth #	
B	79	MIDDLETOWN BUSINESS COLLEGE
B	56	LEE MILES SCHOOL OF REAL ESTATE
A	119	MONTGOMERY COUNTY JOINT VOCATIONAL SCHOOL
B	9	MUSKINGUM AREA TECHNICAL INSTITUTE
B	33	NATIONAL SCHOOL OF HEAVY EQUIPMENT & DIESEL MECHANICS
A	89	OHIO STATE UNIVERSITY
A	146	OHIO UNIVERSITY
A	160	PROGRESS TECH COLLEGES INC.
A	105	RETS ELECTRONIC SCHOOLS
B	14	SINCLAIR COMMUNITY COLLEGE
A	111	SOUTHERN OHIO COLLEGE
B	17	TIFFIN UNIVERSITY
B	22	TRI-COUNTY TECHNICAL INSTITUTE
B	59	UNITED ELECTRONICS INSTITUTE
A	114	URBANA COLLEGE
B	34	UNIVERSITY OF AKRON
B	49	UNIVERSITY OF CINCINNATI
A	101	UNIVERSITY OF DAYTON
B	32	WILBERFORCE UNIVERSITY
B	71	WILMINGTON COLLEGE
B	61	WITTENBERG UNIVERSITY
A	97	WRIGHT STATE UNIVERSITY

SUPPORTIVE & TRAINING AGENCIES

Wing	Booth #	
B	86	AMERICAN LEGION National Veterans Organization Dedicated to Serving Veterans - Service Officers Available
A	88	AMERICAN NATIONAL RED CROSS Services to Veterans and their Dependents
B	53	AMVETS National Veterans Organization Dedicated to Serving Veterans - Service Officers Available
A	98	U.S. DEPARTMENT OF LABOR, BUREAU OF APPRENTICESHIP & TRAINING Apprenticeship Information
B	26	DAYTON AREA CHAMBER OF COMMERCE Community Information on Employers and Businesses
B	31	DAYTON OIC Occupational and Skills Training
A	107	DAYTON PUBLIC NIGHT SCHOOL, DAYTON BOARD OF EDUCATION Adult Education - High School Diploma - Trades Training
A	161	DISABLED AMERICAN VETERANS National Veterans Organization Dedicated to Serving the Disabled Veteran - Service Officers Available
A	112	GARFIELD TRAINING CENTER Manpower Development & Training Act (MDTA) - Skill Center Training
B	6	GOODWILL INDUSTRIES REHABILITATION CENTER Vocational Evaluation and Training for the Disabled
A	87	HEALTH CAREERS OF OHIO Educational Information on Health Careers and MEDHIC Program
B	10	LABOR EDUCATION ADVANCEMENT PROGRAM, DAYTON URBAN LEAGUE Building Trade Apprenticeships
B	24	LABOR MANAGEMENT SERVICES ADMINISTRATION Veterans' Reemployment Rights
B	2	LEGAL AID SOCIETY OF DAYTON Information on Assistance to Veterans
A	96	MONTGOMERY COUNTY VETERANS SERVICE OFFICE Local Veteran Services
B	7	MONTGOMERY COUNTY WELFARE DEPARTMENT Food Stamps Information - Financial & Medical Assistance
B	30	OHIO ASSOCIATION OF COLLEGIATE VETERANS, DIV. NATIONAL ASSOCIATION OF COLLEGIATE VETERANS Serving the Veteran on Campus

SUPPORTIVE & TRAINING AGENCIES (Cont.)

Wing	Booth #	
B	5	OHIO BUREAU OF EMPLOYMENT SERVICES - EMPLOYMENT SERVICE DIV. Job Placement Assistance - Vocational Counseling & Testing - Institutional and on-the-job Training
B	4	OHIO BUREAU OF EMPLOYMENT SERVICES - UNEMPLOYMENT COMPENSATION DIV. Unemployment Claims Information
B	3	OHIO BUREAU OF VOCATIONAL REHABILITATION State Vocational Training Programs for the Disabled
A	99	OHIO STATE APPRENTICESHIP COUNCIL Veterans Consultant on Apprenticeship Training in Ohio
A	95	OHIO STUDENT LOAN COMMISSION Guaranteed Bank Loans
B	1	OMBUDSMAN Community Grievances
A	116	RAP BOOTH "Have You Got it All Together?"
A	117	SMALL BUSINESS ADMINISTRATION Financial Assistance to Self-Employed Veterans
B	12	SOCIAL SECURITY ADMINISTRATION Benefits Available to Disabled Veterans
B	27	SPECIAL SERVICES IN HIGHER EDUCATION For the Disabled College or University Student
A	93	VETERANS ADMINISTRATION Know All Your Veterans' Benefits
A	92	VA GI BILL Educational & On-The-Job & Apprenticeship Training Benefits
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Senator CRANSTON. Will you first tell us how many members your general staff represents?

Mr. BURMICH. Yes. We represent over 250,000 veterans throughout the United States today. We have State organizations now formed in 12 States, and we have other State organizations now forming, and we have a number of clubs in our 21 States today.

Senator CRANSTON. How long have you been in existence?

Mr. BURMICH. Since 1968. We were formed in 1968, sir.

Senator CRANSTON. Could you provide us for the record a list of the affiliates in the different States?

Mr. BURMICH. Yes, sir. I believe we could do that. We could provide a list of the 600 clubs that we have active.

Senator CRANSTON. That would be very helpful. Regarding some of your suggestions, first of all, are you suggesting that the Federal Government provide, in addition to the $1,000 payment for educational expenses, a guaranteed loan program for veterans?

Mr. BURMICH. Yes, sir; we are. We feel that it's very necessary for the veteran to get the education that he feels is best suited to his needs, and we would like to see the tuition paid for. We would like to see the guaranteed loan program on a separate funding basis so the veteran could then pick the institution of his choice, and he could also determine the number of years that he feels he must go to equalize the opportunities in the job market, when he would be qualified by his course of study.

Senator CRANSTON. Do you mean an NDEA-type direct Federal loan program especially for veterans?

The reason I ask is, with federally guaranteed loans, like Higher Education Act loans, you would still have to rely on private lenders to be willing to make the loans. I wanted to make sure exactly what you are suggesting.

Mr. BURMICH. One of the problems we are encountering is the fact that in order to get loans that are available to the general student body, he has to go through his hometown bank, which means that if his father has a great deal of pull in that town, with that bank, then he doesn't have any trouble getting his funds. If that is not the case, then he has a problem.

Senator CRANSTON. That's just the point. It should be a direct Federal loan, where you don't have to depend on the willingness of a local single bank.

Mr. BURMICH. That's exactly what we suggest.

Mr. MCLAUGHLIN. If I may add something else in regards to a veteran going to apply for a national defense student loan. Presently, the vet must submit a parent's confidential statement regarding whether or not he receives any financial aid from his parents. We believe this is unfair.

Senator CRANSTON. To get back to this Federal loan, you use the language "federally guaranteed loan." That is what you mean, a Federal loan?

Mr. BURMICH. Yes, sir; we mean that, so the funds will be available; and we also think that his GI bill entitlement should not act against him when he applies for a loan of this nature. This should not be taken into account, in terms of his total income for the years, because we feel he's earned that in previous years.

Senator CRANSTON. How effective has the tutorial assistance program been for those veterans who may need a helping hand with a particular course or two?

Mr. BURMICH. We feel it hasn't been very effective at all, sir. We have some statistics on it. You'll note that under the tutorial section of our statistics, that 31 percent somewhere along the line stated that they needed tutorial assistance to help them through a course needed in their major, as set forth in the law.

Of those people, 90.6 percent were unable to secure the VA funds to reimburse them for this tutorial assistance.

I think it's interesting to note that I personally looked over many of the questionnaires, and in the margin they pencilled, "What VA funds?" The men in the field are not aware of the fact that there has been any provision, and it has been a law for over 2 years now. They are not aware that any provision has been made. The Congress has pretty well stated their will on this, but the Veterans' Administration does not see fit to publicize this on the local campus level. We were able to find out about it only after intensive study.

Senator CRANSTON. Are you talking about people who are in danger of failing the course, or people who are trying to move up from D to C?

Mr. BURMICH. No, sir. We're talking about people who are in danger of failing the course.

Senator CRANSTON. Because that's all the program covered.

Mr. BURMICH. We understand that. Somewhere along the line, one-third of these people say they definitely need help, and were not able to obtain it, didn't even know about it. We've even been trying to set the program up on the campus. We get no help from the Veterans' Administration. We receive nothing but passive resistance to setting up one at all. Which means that there are a number of clubs who had to do it on our own, all of the paperwork, set up the entire program on their own time and expense.

Senator CRANSTON. Do you think the $50-a-month, 9-month allotment is adequate, from your experience?

Mr. MCLAUGHLIN. If I may answer that, Senator. I don't know if we could answer that right now, because we haven't been able to see the program in operation effectively anywhere.

Senator CRANSTON. It's been here up to 2 years. Is it that it's just slow in getting the program going?

Mr. MCLAUGHLIN. Let me give you a specific example. For instance, at Ohio University, we went to the Veterans' Affairs Office, and they knew that a tutorial assistance program was in effect. It had been mandated by law. They did not know, however, how to set a program up, what to do to go about setting it up. They asked us, in turn, the Veterans' Club, to set up a program.

Not that we mind setting up a program to help our fellow vets but it seems to us, at least, that this should be a function of the Veterans' Administration.

Senator CRANSTON. The prepared statement touches on a distinction between in-State and out-of-State fees. If you would elaborate on that point, please.

Mr. BURMICH. Yes, sir. This is a very hard thing for a lot of our veterans to cope with because, taking certain States—I think New

York is one of them—if a man is locked into a State system by virtue of economic reasons alone, if he finds that none of these State schools offer courses that he is particularly interested in that he can gain admittance to, he is forced to go out-of-State.

Colleges have, in the last several years, attempted to hold the line against rising costs of tuitions for their own in-State students. A disproportionate portion of that cost are from out-of-State students. At Ohio University alone, for the in-State student, $780 starting next September, and $1,900 for the out-of-State student.

So for a man who is forced by residency to go to another State, he must pay terribly high costs to attend an institution offering what he is looking for.

Senator CRANSTON. Regarding the duration of time, you are advocating an extension from 36 to 48 months?

Mr. McLAUGHLIN. Yes, sir; we are.

Senator CRANSTON. How many months of service should earn 48 months of entitlement?

Mr. McLAUGHLIN. Twenty-four months. If I may expand on that, please.

The rationale behind that, Senator, is a great number of veterans who served in Vietnam in combat roles were draftees. If one would come out in a law and state in order to be eligible for 48 months of educational assistance, you must have served 3 or 4 years in the military, what we would do basically is eliminate a great number of veterans who served in combat, and those who served on the beaches in Hawaii and in the Mediterranean would be accorded more benefits than the combat veteran who would be eliminated. That would be unjust.

Senator CRANSTON. What about a veteran with a service-connected disablement who had to leave earlier?

Mr. McLAUGHLIN. Of course, he would be included. There would be no way that you could exclude a man with a service-connected disablement from the benefits.

Senator CRANSTON. In terms of your priorities, how do you rate expanding the number of months of entitlement? How vital is that?

Mr. McLAUGHLIN. The point is, a matter of priorities for whom?

If we could again refer to our statistics that we brought up under No. 11, increasing the number of months entitlement from 36 to 48, 60.3 percent of the veterans said that they needed graduate work in their chosen field of study. Six out of 10 veterans realized this as a very high priority

Senator CRANSTON. As a fallback, what would you think about a proposal of a grant of an extra 9 months when that was necessary to complete an undergraduate degree?

Mr. McLAUGHLIN. I think the restrictions on that would have to be looked into. That would be fair, I think, because it would give a full year for graduate work.

Mr. BURMICH. You will also note in our statistics that 50 percent of the men we talked to indicated that they would not be able to obtain an undergraduate degree within the allotted 36 months, so we feel that's a high priority, that the man not be cutoff from funds before he has completed his study.

We're also making the contention, sir, if we may, that in today's job market, the opportunity the World War II veterans were accorded, the way he was looked upon by the public generally and the employer, is not the same that we are looked upon. Thus, we say, for many reasons, we need the graduate course of study.

Senator **Cranston**. One of your essential points is a prepayment of 2 months to the veteran after notification of acceptance into a program. Would 2 months payment be adequate?

Mr. **Burmich**. Sir, we feel that it would be adequate if we were accorded the $1,000 for the tuition, fees, books, and supplies.

One of the biggest problems is the way in which this system works. A man must come up with lump sums of money in September to pay for certain things, and of those certain things, rent and food, all of those are part of that. Of the people that we polled, 65 percent needed $3,000 or more a year.

Particularly, 20 percent, I think it's interesting to note, 20 percent of the veterans who were paying out-of-State fees, said they would need more than $4,000 to get the education they needed.

So we feel that if this tuition, books, and related supplies were paid for, that a prepayment of 2 months would enable him to have the cash on hand.

You will also note, and I think it's very interesting, that of the people we asked, "How much were you able to save toward your education when you were working in the summer months?", 60 percent said they were able to save less than $500 cash.

So we see 2 months cash on hand as being very necessary, over and above tuition, fees, books, and related supplies, to meet the essentials of rent and food, to hold a man until the first check can come in, sir.

Senator **Cranston**. I'm going to amend my bill, S. 740, so that the first 2 months' payment will be mailed to the veteran before registration, that it be mailed in care of the school, and the school will make a payment to the veteran when he registers.

Do you think that would be satisfactory from your point of view?

Concerning mailing it directly to the veteran, he may not receive it in time.

Mr. **Burmich**. Yes, sir, that is satisfactory if the money is there at the school when he gets there.

Senator **Cranston**. They would release it to him.

Mr. **McLaughlin**. The important thing, Senator, is that the veteran has money to live on until his monthly checks start arriving.

Senator **Cranston**. Senator Thurmond, do you have any questions?

Senator **Thurmond**. We are glad to have you here. I don't know that I have any questions especially to ask.

There's one point that you raised, however, that I might comment on a little bit, and that is I believe you're asking that the tuition be paid the school that the student goes to. That was tried. During World War II that was the original basis. I believe, in 1944, and it was on the books until about 1951, and there were so many abuses that it had to be changed to the present system of just allotting so much for a student and you do what you please, and in some cases we've found it was to their advantage, because it would go to some schools where the cost was a lot less, and it came out about the same.

I just throw that out to you. It might be difficult to get that changed back to the old system, because it did have so many abuses at that time, too.

Mr. McLaughlin. Yes, sir, and we did take note of that in our statement, as you're well aware of; and we stated that if, by virtue of the fact that the system may have been abused after the Second World War, we asked for a greater increase in the monthly assistance allotment to make up the difference to the veteran. That is, money payable directly to the veteran so he could handle his own funds.

Senator Thurmond. I'm glad that your committee is in favor of raising this amount. I believe the allowance was $110 a month in World War II, and then it was raised, I think, to about $135, and then raised to $175, to what it is today. It's just a question in the Senate, will we raise it enough? I feel rather confident it will be raised a substantial percentage. I would be in favor of that, and I think the committee is too.

I don't have any other statement.

Senator Cranston. Thank you, sir.

In your statement you stressed the number of veterans who must work in order to make ends meet. Could you expand on that problem, and how it relates to the GI bill as you see that?

Mr. McLaughlin. Yes, sir. Again referring to the statistics that we have, they state that 68.2 percent of the veterans polled must work during the school months, of which 16.6 percent work less than 10 hours a week; 41.1 percent work from 10 to 20 hours a week; 25.5 percent work 20 to 30 hours a week; 11.3 percent work 30 to 40 hours a week; and 5.5 percent work more than 40 hours a week.

Senator, if I may, at this time I would like to read a letter to you, from a veteran, that is entirely representative of the plight of the veterans who must work. Particularly those who are married and work full time.

> Gentlemen: This is to inform you of my personal situation concerning my problem of obtaining an education under the current GI Bill.
>
> I'm sure my situation is not unique and that it reflects the plight of many Vietnam era veterans who are trying to get an education. I am a former Army officer, am married, and we have one son.
>
> I am presently enrolled as a full-time student at Ohio University, and I work full-time in a low paying job to subsidize the GI Bill entitlements. It is indeed difficult to find a good job since I can only work in the evenings or on weekends. I am one of the fortunate ones in that I have found work at all.
>
> In the past three years I have been forced to withdraw from school on two occasions to work in order to get enough money ahead to pay tuition and other expenses which go along with college attendance. I know several other veterans who are not attending college because they feel they can't afford it. The continual increases in tuition, books, rent and food have not been met by sufficient increases in the GI Bill entitlements.
>
> Since I am forced to work, my grades have dropped and there is a definite strain on my marriage, not to mention the lack of contact with my son. I had planned on going on to graduate school; however I am afraid my grade point average will not be quite high enough to gain admittance.
>
> The proposed increases in entitlements will not benefit me since I will be graduating in the near future; however, they could aid others just being released from active duty and starting their college careers.
>
> Sincerely,
>
> Henry E. Cleland.

We feel, sir, that this is representative. That's why I wanted to take the time to read it.

Senator **Cranston**. In your prepared statement I note that you are "pleased" by the House action in the recent bill for veteran-student employment.

But I would like to ask: How does that mere authority to hire veterans whom the VA already has authority to hire really help? Where is the money, the job slots to do that hiring? What we need is the money and job responsibility.

Mr. **McLaughlin**. Yes, sir. That's what we intended to say. It was an oversight on our part in the statement that we submitted.

The question is exactly that: Are people being hired? And that's the problem. The authority has been granted to hire veterans for jobs, but what is being done with that authority? That's what we're really addressing ourselves to.

Mr. **Burmich**. Yes, sir. And if we might say at this time, had we been aware of the work-study educational assistance allowance in S. 740, we would have endorsed a concept of that type much more readily than one which states one does not have jobs to offer.

Senator **Cranston**. Do you have any comments on your assessment of the VA's and the Department of Defense's efforts to promote prep programs and precollege section 1691 programs?

Mr. **McLaughlin**. Mr. Sniffin, from New Jersey, may be best suited to respond to that.

Mr. **Sniffin**. The prep programs, in the New Jersey area, at least are not working. One man who utilizes this program in New Jersey, his entire base—he was in the Marines—was released. This goes back to the transition program. The GED, yes, it's very good. What's he going to do with it when he gets out? In the prep programs there are some types of scandalous things going on.

Senator **Cranston**. What do you mean by that?

Mr. **Sniffen**. What I mean is simply this: No. 1, the moneys are allotted to veterans on the military bases. This is not the way it's supposed to be done. It should be done in schools. This is the opinion that most people are coming to. The commander on a military base, and the military in general, don't want this program on their base because it interferes with their military activities.

Senator **Cranston**. That seems to be the major problem, that it's in part just left to the discretion of many base commanders, and many do not choose to push this, and I suppose there is a conflict of interest, that makes people leave the service when they don't want them to leave the service.

Mr. **Sniffen**. Yes, this is a big problem.

Senator **Cranston**. We have to recognize that as one of our problems on that.

Mr. **McLaughlin**. I might add on that, Senator, that we spoke to a Department of Defense official and asked him that question. He said they do not now, and there's no way he can foresee for them to mandate to the local commander to release these people for a program such as this.

Senator **Cranston**. What's your estimate of the effectiveness of the VA outreach program in recruiting and motivating educationally disadvantaged veterans.

Mr. **McLaughlin**. If I could state some of the questions that Senator Hartke was asking of Mr. Owen. Mr. Owen told Mr. Hartke, "We invite the veterans to come to our regional offices." There's only one problem with that: How is the man going to get there? We're talking about veterans who don't have any jobs, they don't have any transportation, they don't have any money. How are they going to travel 100 or 200 miles to get to a VA regional office, or to check about opportunities available to him?

It's a hardship on the veterans, and I don't know whether that could be supported by the Veterans' Administration. As Senator Hartke said, they've got to get out into the communities, and to the inner cities, and to all America and make the veteran aware of what is available basically, as far as that is concerned.

Of course, the problem with the State Employment Service is that the education and training qualifications of veterans making use of these services are not of the highest caliber. Consequently, most employers do not register the better jobs with the State. This, in itself discourages the more qualified veterans from making use of the services.

Mr. **Burmich.** We would also like to stress the fact that when a man comes home from the service, his door is continually hounded for several weeks thereafter by people representing the insurance companies and several other agencies. A man has a distinctive aversion to anyone who has a suit and tie on that looks like he's establishment. It's a very real problem. We have had a great deal more success ourselves with veterans counseling veterans, and this is the approach we think is the most feasible. A young man can go down into a particular area and talk on a one to one basis with a man and explain all of the benefits, and all the ways he can get around some of the hangups, surmount the barriers, and all the redtape. Sometimes in counseling, if the man who does the counseling is a man who himself is a product of higher education, and so many of the very relevant and important questions that a man has concerning education are not answered by this person. There's a difference between humanities and social science studies of this type.

So that a veteran, a young man who is directly concerned with all those problems, who himself has just gotten over some of them, is much more apt to be received in good faith and his work taken as that of truth than anyone else.

Mr. **Sniffin.** I've done some extensive research in this whole area, in the State employment services, on the Outreach program, and the problems have been identified.

First of all, the existing agencies are almost totally inadequate. The State employment service has either a part-time, or if he does have a full-time veteran counselor, he knows little or nothing about the Vietnam veteran. The veteran passes the word on to the other veteran that there are no jobs available. The jobs available are very marginal. They've run into the same job market. There is no special service for them. They send out 20 veterans to one job, and the employers don't look upon the veteran favorably.

Senator **Cranston.** Are the VA and the Department of Labor making any vigorous effort, in your opinion, to find and promote jobs for veterans?

Mr. **Sniffen.** Yes, they are. They're locating a lot of jobs.

Senator **Cranston.** How well is it working?

Mr. **Sniffen**. Like a funnel. There are plenty of efforts at the top of the funnel, and the results could be related to the bottom of the funnel.

We have solutions for this problem. We should have a veteran counseling a veteran, group counseling, a one stop and shop center to supplement the Veterans' Administration. The beautiful thing about this is that veterans will be hired to assist veterans. These are the people who know the problem best.

We've been told by a number of people that, "That's a fine program, but we can't have duplication of services." We were told by the VA testimony this morning, "We cannot have duplication of services," even though the existing agencies are not doing the job, and my contention is how can we have duplication of services when they are not doing the job they are supposed to be doing? Therefore, a change is needed, where the veteran will assist the veteran.

Mr. **McLaughlin**. I would like to make one comment with regards to the Veterans' Administration. There's one program in which we do recognize that they are doing some good and that is the on-the-job training program.

They have since changed their rulings. It used to be that a veteran had to go to his employer and sign him up in order to enroll in an on-the-job training program. In Ohio, at least from the number of people we've talked to around the State, the VA people are now going out and reaching the employers, and they are bringing in a number of on-the-job training positions, so they are doing, we feel, a good job in that area.

Senator **Cranston**. Getting back to the educational aspect of your testimony, what data do you have to support the need for a separate educational loan program for veterans?

Mr. **Burmich**. One thing that we would like to address ourselves to is substantiating the data we have previously submitted concerning the 300-percent increase in the cost of tuition at our colleges. This has been taken from the testimony of Frederick W. Ness, president of the Association of American Colleges, executive vice president and chairman of the Independent Colleges and Universities, before the House Veterans' Affairs Committee.

He says in there the determining factor is financial, where colleges' cost, at 90 percent of our colleges have at least tripled, at least 300 percent. Mr. Baring said on the following page, "You say the college costs have tripled?", and he replies, "That is from 90 percent of our membership. If you were to take 50 percent, I think the rate would be higher than triple. In many it's quadruplicate, or quintuplicate."

Mr. **McLaughlin**. Also, in the U.S. News and World Report, the March 29, 1972, issue states that, "The recent Associated Press sampling of public colleges in 30 States found that tuition in over half of them had risen more than 100 percent in the last 5 years."

The VA stated, I think, a figure of only 48 percent or 42 percent increase—although I can't see how they get that figure.

Mr. **Burmich**. If I may elaborate on that? We are not asking that each and every one of our people, American veterans, be accorded benefits that will enable him to go on to Harvard. We realize, and our testimony states, that there are many aspirations, and whose particular talents lead them to vocational or technical schools for these men. We highly endorse these programs.

What we are saying is that after World War II if a man felt that he could take the rigors of a Harvard education, he was accorded benefits that enabled him to get there.

We are saying please don't put a ceiling on us, to prohibit us from going into independent private colleges that are very difficult and very expensive. Give us a chance, because we think we have people in our ranks who are highly qualified, highly motivated, and would make good professional people: Doctors, lawyers, Congressmen, Senators, and we would like to see those people given an opportunity to advance to the highest aspiration they may have.

So we're looking to the guaranteed loan program, Senator, as a means for the individual veteran to attend the institution he chooses.

Senator CRANSTON. I thank you very much, and I want to assure you I will do all I can, and the others will, too, so there is parity to the World War II veteran's level for veterans who are now seeking assistance.

I'm very grateful for your cooperation with myself and my staff, and I look forward to working with you in the future and right now, and I congratulate you on a very fine presentation. Thank you.

Do you have anything further?

Senator THURMOND. We are glad to have you with us, and we wish you good luck.

Mr. MCLAUGHLIN. Thank you, Senator.

Senator CRANSTON. Thank you very much.

We should return now to Mr. Owen and the representatives of the VA. I apologize for the delay, and I appreciate your patience very, very much.

(The prepared statement of Mr. Burmich is as follows:)

STATEMENT OF STANLEY F. BURMICH, VICE PRESIDENT OF MEMBERSHIP, NATIONAL ASSOCIATION OF COLLEGIATE VETERANS

Recent studies indicate that the troubles of the Vietnam veteran have been terribly underestimated. The President's National Advisory Council on Vocational Education stated "that the unemployment situation among veterans has reached the proportions of a national crisis, and only an all out national effort can have an impact on it." (See Special Report: Employment Problems of the Vietnam-Era Veteran, February 1, 1972.)

Bureau of Labor Statistics indicate that the unemployment rate among Vietnam veterans is twice as high as the national average. Veterans Administration statistics indicate that considerably fewer Vietnam veterans are making use of GI benefits than World War II or Korean War veterans. The "Summary of Findings of a Louis Harris Study Conducted for the Veterans Administration" (January 6, 1972) further illustrates the enormous problems facing Vietnam veterans upon their return from service. More recently, our Secretary of Labor, the Honorable J. D. Hodgson, in his February 11th address before the American Management Association, stated that he is "most unhappy" with the high rate of unemployment among returning veterans. He said, "This tells me and it tells the President—and I think it must tell you—that we are letting our veterans down." And, less than a year ago, President Nixon stated that:

"We owe these men a debt of gratitude for their service—but we also owe them something more. We owe them an extra measure of help in making the difficult transition back to civilian life." (April 12, 1971)

Gentlemen, The National Association of Collegiate Veterans (NACV) is deeply concerned about the plight of veterans. In the past year, NACV has cooperated with and assisted the American Legion, the National Association of Junior Colleges, the National League of Cities and U.S. Conference of Mayors, the Veterans Administration, the Jobs for Veterans Committee, and others in finding solutions to this critical problem facing our country. In addition, we have worked on many statewide and local programs to help veterans. We have concerned ourselves not only with educational (college and university, technical and vocational) needs, but also with job programs, vocational rehabilitation, and various job training programs.

Our primary concern is in the area of educational benefits. We agree with the Senator from South Carolina, the Honorable Strom Thurmond, when he says that "no greater assistance can be given to enable the veterans to earn a living under today's standards than a good education." (*Congressional Record*, June 28, 1971). The Senator has also pointed out that "despite several increases in educational benefit payments to the veterans or his dependents, they have not kept pace with the rising costs of education, food, housing, medical care, and other necessities. These increased costs make many veterans forego their educational benefits and pursue a program which leaves them a debt, creating a hardship on their families."

Senator Vance Hartke, Chairman of the Veterans' Affairs Committee, made the succinct comment when he introduced his bill last year: ". . . what he (the veteran) does expect is a decent education, job, and an environment in which to live. In short, he wants an even break. But, is he getting this even break? I think not." NACV's objective is to press for an even break for Vietnam veterans. We have no illusions that we will be able to reach out to all of them and bring them into the mainstream of a better life and better future. But, through hard work and dedication, we hope to attain those resources and establish those administrative vehicles which will carry through the many pledges made to our nation's veterans.

The veteran of World War II had the benefit of the best scholarship program in the world. He received up to $500 for tuition, fees, and books, as well as a monthly stipend of $60 to $90 per month. He could live comfortably on this scholarship program. Today's single veteran gets a monthly stipend of $175, or less than $1,600 per year. He is expected to pay for tuition, fees, books, room, board, and other expenses. The actual increase in GI benefits since the end of World War II is approximately 6.7%. Over the same period of time, education costs have risen dramatically—approximately 350%. Within the last 4–5 years alone, as an Associated Press survey of 30 states shows, (see *Washington Post*, March 12, 1972, "Tuition rises putting colleges beyond means of average family"), the cost of higher education has increased by more than 100%. All indications are that most colleges, universities and other schools will increase their tuition by next fall.

Further, the enormous increase in the cost of living—food, medical care, insurance, rent and other basics—places a heavy burden on anyone of modest means who is considering post-secondary education. Many talented men *and* women (there are over 300,000 Vietnam-era women veterans), simply do not have those "extra" resources to pull them through college. Because of the existing economic conditions, many veterans are not able to find a job—full time or part time—to supplement their veterans benefits. And, because most veterans come from average income backgrounds or low-income backgrounds, they have no resources to draw upon. Thus, each time the cost of education or the cost of living goes up, and increasing number of veterans are cut out. Under the existing GI Bill, veterans are being priced right out of higher education. A mere cost-of-living increase will not alleviate this situation. In our opinion, anyone who advocates that a more cost-of-living increase will provide equity is either completely out of touch with reality or totally unconcerned with the economic problems confronting veterans wishing to enroll, and those enrolled, in higher education today.

Although it is not true that undue emphasis has been placed on higher education, as suggested by one government study, it is true that the emphasis which has been placed on vocational and technical training has not been sufficient. We would like to commend Chairman Teague and the House Veterans' Affairs Committee on the measures adopted in H.R. 12828, concerning vocational and technical allowance increases, and would like to urge similar legislation in the Senate version. The increased emphasis in this vein would urge many thousands of young men, who are neither particularly suited nor inclined toward four-year degree programs, to develop their potentials and skills to the highest degree to which they may aspire.

We fully support and endorse the equalization of payments regarding veterans enrolled in Vocational Technical Institutes with those procedures applicable to veterans enrolled in college. Presently, a discrepancy exists between the two types of pursuits and the mechanism for payment. College veterans are not required to submit a day-to-day attendance record to the VA, and we feel the same principles should apply to veterans enrolled in Vocational and Technical schools. We feel that he should register with the VA at the beginning of each school year and subsequently for each quarter or semester in order to qualify for his benefits. There should be no additional restrictions.

We feel that there should be less emphasis placed on legislation designed to force a man into class participation of an excellent program under duress of loss of benefits and more emphasis placed on administrative approval, and screening techniques, of the individual programs themselves. Presently, there are courses of studies offered such as heavy equipment operation and meatcutting by correspondence which are VA approved into which a man may enter in good faith only to find that it amounts to a loss of benefits with no compensation.

We ask the Veterans Administration undertake a study of those cases in which a course of study may not ultimately lead to adequate preparation for entry into the job market and either require the program to be up-dated or remove it from the approved lists. We strongly suggest that Vietnam veterans be included in this worthwhile undertaking.

We wholeheartedly support the proposal of the Veterans Administration to eliminate the double standard of dependency payments accorded veterans on the basis of sex. A male veteran is entitled to declare his wife a dependent solely on the basis of marriage and we feel that our female veterans should be equally entitled.

We asked the House Subcommittee on Education and Training on December 1, 1971, to request of the Veterans Administration a quarterly statistical breakdown on the completion rate of those enrolled under the GI Bill. At that time, the VA testified that 35.2 percent of the all Vietnam-era veterans have taken advantage of the GI Bill. We ask this committee request statistical data from the VA showing the percentage of veterans who drop from the program after 1, 2, 3 months and thereafter every 3 months. This data will, in our opinion, illustrate a real economic problem that eventually weeds many veterans out of the education system.

A recent Harris study completed for the VA states, "In evaluating the benefits offered returning servicemen, two-thirds of the public (68%) and three out of four returning veterans (75%) call them "adequate" ("very adequate" or "somewhat adequate"). However, when the focus of questioning turned to the level of benefits provided under the GI Bill, opinion shifts, with nearly three out of five (59%) of the veterans saying these are "not enough to live on comfortably". This takes on even greater importance in view of the fact that, when asked what is the most important service the VA can provide returning servicemen, the first-place choice of the veterans—selected by 53%—was educational benefits/assistance/loans.

"The survey found 41% of the returning veterans had applied for GI education benefits for school training and 10% for job training. However, the evidence was also strong that, if GI education benefits were increased, the proportion applying would increase dramatically."

(NOTE.—We are attaching statistics of veterans response on similar questions from Opportunity Fairs held in Dayton and Columbus, Ohio, in October of 1971. The statistics regarding the adequacy of educational benefits differ somewhat from the Harris study.)

Incidentally, the Opportunity Fair concept is a program created and developed by the NACV. The concept is a much needed expansion of the Job Fair and provides for more realistic approach.

(NOTE.—We feel it important to point out that 40% of the unemployed veterans polled indicated a first preference of education and training and not employment.)

We praise our United States Senate for supporting the amendment on "Veterans Cost-of-Instruction Payments to Institutions of Higher Education" presented by the Senator from California, the Honorable Alan Cranston. This vital piece of legislation will provide for the necessary incentive to promote greater GI Bill participation in our schools. At present, very few institutions maintain an office of veterans affairs that assist veterans. As a result, many veterans run into great problems at the institutional level. Veterans organizations in NACV, for example, have tried to pick up the slack on a volunteer basis. They have acted as informal offices of veterans affairs, as outreach centers, recruiters, tutoring and counselling centers. Many veterans on our campuses would like to do more, but have neither the financial resources, nor the time. We cannot expect our people who study full-time and work part-time (or full time) to take on the additional task of outreach and counselling—though many veterans do. The proposed legislation makes possible what we have wanted to do for years: helping the average *and* below average veterans (who comes from a low-income and educationally disadvantaged background) get into school, get counselling and other help.

NACV wholeheartedly encourages and supports the adoption of Senator Alan Cranston's amendment. We note that the American Association of State Colleges and Universities and the American Association of Junior Colleges strongly endorse the amendment. We urge the earliest possible adoption in order that universities, colleges, and junior colleges may have sufficient time to institute adequate and effective incentive and outreach programs by this summer. We further suggest that Vietnam-era veterans, who have completed their education, play a vital role in the Office of Education in the evaluation and monitoring of programs at the institutional levels. The establishment of an Office with Education and of an Advisory Committee, somewhat similar to the Office of Student Special Services, maintaining close liaison with the Veterans Administration, would greatly facilitate the implementation of programs at the institutional levels.

We note with enthusiasm the amendments introduced by Senator William Brock and Congressman James Scheuer for establishing work-study programs for community services. These would provide for a much needed outlet for student veterans concerned with public service careers. We fully endorse the view that a greater proportion of work-study funds be zeroed in on community services. We suggest that veterans, whether they served in the theatres of combat, or not, receive the same consideration, with preference given to veterans with disabilities. We further suggest that a review mechanism for the work-study programs be instituted within the Office of Education, to facilitate their implementation, provide advice, and other aid, and maintain a liaison with the Veterans Administration. The office concerning itself with the outreach programs might also facilitate the establishment and operation of the work-study programs.

We are particularly pleased by the House Veterans Affairs Committee's recent bill for veteran-student employment. Increased utilization of Vietnam veterans for part-time services in the Veterans Administration will supplement its efforts, as well as provide for jobs and civilian work experience.

The National Association of Collegiate Veterans recommends that the following four essential proposals be enacted by this Congress:

(1) Provide for a minimum of a 20% increase in the monthly assistance allotment.

(2) Provide for up to $1000 per year for the cost of tuition, fees, books, and related supplies.

(3) Extend the period of entitlement from 36 to 48 months.

(4) Authorize a prepayment of two months of entitlement upon receipt of a veterans acceptance into an accredited program.

MINIMUM OF 20 PERCENT INCREASE

In addition, we advocate an increase in the first allotment from $30 to $50 per month. An increase in the second dependent allotment from $25 to $40 per month and, an additional $20 should be granted for the third and each additional dependent.

It is important that veterans who are husbands and fathers not be discouraged from seeking a higher education. Many men whose lives have been interrupted for two, three, four years or longer have assumed added responsibilities and it is imperative that their situation be accounted for.

One cannot separate the rising costs of education and living in any proposal to ameliorate the present bill. Along with the educational payment we advocate a minimum of a 20 percent increase in the monthly stipends. The percentage is not higher because we feel the payment of educational expenses will resolve a majority of the veterans' economic burdens. However, it is ludicrous to even consider a minimum of a 20 percent increase as realistic unless it is accompanied by the educational payment.

PAYMENT FOR TUITION, FEES, BOOKS, AND RELATED SUPPLIES

The collegiate veteran strongly supports the $1000 payment for educational expenses. This approach is particularly equitable in that it covers the wide spectrum of costs from community colleges, technical and vocational schools, and state supported universities throughout the nation. The veteran attending a state supported university in Pennsylvania does not pay the same for tutition and fees as a veteran in Mississippi. In effect, many veterans are locked into their state system and must pay the standard as mandated by the university system. At the same time, each veteran, regardless of state residency, receives an equal level of monthly assistance under the GI Bill. The payment for educational costs would equalize the benefit level on a national scale and provide for the Vietnam veteran or a GI Bill comparable to that enjoyed by veterans of the "Big War."

Our government should seriously consider an alternative and supplement to educational payments in the form of a guaranteed loan program.

The funding allowance of the World War II GI Bill enabled the veteran to attend the institution he felt best suited to his needs. Many veterans, therefore, could and did enroll in private institutions. Unfortunately, this is not the case for the present GI Bill. In fact, if the assistance level is not realistically assessed and updated, it wont be long before the Vietnam veteran finds himself priced out of the state university system. He has long been eliminated from the private university system!

We see a guaranteed loan program as feasible and, given the current economic pinch, a realistic one. The veteran recognizes the enormous cost of private higher education and realizes there is *no* possibility of receiving the level of assistance needed to attend these institutions. A guaranteed loan program will place the burden of seeking a private education on the shoulders of the veteran and not the general public. The veteran would then have some degree of latitude in selecting the school of his choice. The veteran is not asking for a bigger piece of the pie; rather, he is willing to accept a low-interest loan which he can repay after graduation.

This measure would be particularly applicable to the veteran who is not able to attend, due to the lack of space, one of his state supported universities. The simple matter of state residency severely hampers those who are forced out of the state system to another where they must pay out-of-state tutition and fees.

It should be noted, however, that consideration of the guaranteed loan program, without at the same time providing for education payments, would, necessitate a drastic increase in monthly assistance allowance. In this regard, we suggest a 48 percent increase in the monthly assistance allowance, from $175–$260. Our dependent proposal is applicable here and would remain as stated above.

We feel this approach will eliminate the possibilities of misuse of federal funds by those who may have abused the system after World War II. In our proposal, the veteran will receive and manage his own funds, thereby preventing possible abuse. The important point to remember is that after a veteran has paid his tutition, fees, books and related supplies, he must feel he can exist from month-to-month on the remaining amount. If he believes he cannot do this, the GI Bill is not a viable alternative to him. By exist, we mean rent, utilities, food, medical and dental expenses. This does not take into account clothing costs, life insurance premiums, cost of travel and many other related and necessary costs.

THIRTY-SIX TO FORTY-EIGHT MONTHS

The economic problem is the major source of discontent and detriment to veterans in higher education today. Under the existing GI Bill, many veterans are forced to work in order to stay in school. The problem is, specifically, that many veterans find themselves forced to work more hours than they can successfully balance with their academic studies. This is not the intent of Congress. A veteran can receive full time allowance under the GI Bill by carrying a minimum of 12 credit hours per quarter or semester. If an individual is enrolled under the semester system taking 12 hours per semester for four years he accumulates 96 hours. This is 24 hours or 4/5's of a year short of the required 120 hours needed to graduate. On the quarter system, four years of the minimum requirement will accumulate 144 or 36 short of the 180 necessary for graduation.

In effect, many veterans are reluctantly forced to decrease their total number of hours per session in order to work additional hours. This problem can easily be ameliorated if the new GI Bill provides a more realistic level of assistance. Hopefully, this will occur and next Fall the veteran will no longer be forced to decide between academic hours and employment hours.

Our primary concern regarding the increase from 36 to 48 months unfortunately, cannot be eliminated by equitable funding under the current GI Bill

philosophy. Specifically, the employment market today requires, in many instances, the applicant to attain a higher than Bachelor's level degree in order to compete with others. It is possible for an individual to graduate from college, enter the employment market, and not even qualify to fill out an employment form, much less compete for a job.

Our concern is not with the veterans who have other means of support to rely upon to cushion the costs of higher education. Rather, with the great numbers of young men and women who have struggled diligently to pull themselves out of the inner-city, Appalachia, reservations and the lower income segments of society in general. An increase from 36 to 48 months would be the determining factor for a number of veterans to continue and obtain a necessary graduate degree. It would mean the difference to a veteran that has worked full or part time for four years and who, by virtue of this, may not academically qualify for a scholarship although he satisfies the admission's requirements. The continuation of his GI Bill for graduate study, plus a loan, will make it economically feasible for a veteran to compete with his more fortunate peers.

The Vietnam veteran is aware of the economic discrepancies existing between the level of support enjoyed by veterans of the Second World War and veterans of the Vietnam war. He realizes his cause has not been a popular one—either with the Congress or the American people. He has given up the hope of ever attaining a GI Bill comparable to that bestowed on his father's generation by a grateful nation. However, he will not and should not concede the discrepancies existing in the opportunities accorded to the two generations. Specifically, the level of attainment differences that distinguish the ultimate value derived from a 4-year degree in 1950 as opposed to a 4-year degree in 1975.

In conclusion, we do not foresee the increase from 36 to 48 months as a catalyst to induce the veteran to go on solely to consume an additional 12 months of benefits. We know it rather as an equalization of opportunities to those enjoyed by our predecessors.

PROPOSED PREPAYMENT

We feel that one of the greatest complaints which the veterans have, *i.e.*, the period of time between which payment must be made for tuition and fees and receipt of benefits, can be dealt with by granting the VA the authority to advance a prepayment of up to two months to the veteran at the beginning of each school year with subsequent checks for each month in advance. We realize that some schools are granting tuition deferment, but for those who are not, we feel very strongly that Congress should take appropriate action to remove this initial barrier to education by providing the "front money" which has long been a problem. This should apply not only for the first year of the program but also for all subsequent years.

SUMMARY

In summary, we would like to point out that we have offered a number of specific proposals and alternative provisions which we feel to be not only workable but also realistic. We have attempted to be reasonable in our requests, and each, in our opinion, deals with a specific problem area which we as student veterans have encountered. We feel that each of these should be dealt with by Congress to eliminate the troubled areas.

Top priorities should be assigned to (1) assisting those already enrolled in programs to a successful completion, (2) helping those not in programs over the initial barriers to enrollment, and (3) enabling the Vietnam veteran to choose the course of study and institution which, in his opinion, best suits his particular needs.

We thank the Committee for the opportunity to be here today to speak for the Vietnam veteran.

Regarding the guaranteed loan, as a supplement, the following proposals should be considered:

1. **up to $2,000 a year for a maximum of 6 years (maximum—$12,000)**
2. **at one (1) percent interest**
3. **payments beginning two years after completion of a course of study; with 10 years to repay the loan**
4. **with provisions included for annual reductions of 10 percent up to a maximum of 50 percent for public service, community service, teaching, nursing, medical assistants, technicians, etc.**

The veteran of the Second World War had no need for a loan program. It is only just, to extend the same consideration, to veterans of the Vietnam War. The Administration, the Congress, and to a lesser extent, the American people, seem to be telling us we do not *deserve* the same benefits our fathers received. It has been a bitter pill to swallow.

STATEMENT OF OLNEY B. OWEN, CHIEF BENEFITS DIRECTOR, VA—(Resumed)

Senator CRANSTON. I would like to return to what Senator Hartke was going into with you, which is the matter of how you would compare the past situation with the current situation. I have some questions I would like to ask you. You may or may not have the answers here at your fingertips.

I'll hear from Senator Thurmond first of all, since he has another engagement.

Senator THURMOND. Thank you very much, Mr. Chairman.

Mr. Owen, Senator Hartke was pursuing a line of questioning which was very interesting. It's my judgment, too, that we should pursue every avenue we can in order to make the veterans acquainted with the benefits that are available to them.

I'm just wondering, before these veterans are released from service, if the services have an information program, an orientation program, where they can inform them of these benefits? Where they should go. Whom they should see. Does the VA put out a brochure that is available to the services to distribute to every man there released, and do they give him a lecture on it that might be helpful? If they don't I think they might do two things. I think they might have a lecture on this. Whether they're interested or not, they ought to know about it. If they had a brochure that was put out by the service or by the VA that would follow up on that lecture and tell them just where they could go, what's available, and so forth, I think that would be helpful. Has anything along that line been done?

Mr. OWEN. Senator, we of the Veterans' Administration certainly concur with your statement that every veteran should be fully informed of the benefits that are provided, not only by the VA, but by the Department of Labor, et cetera, and the Office of Education, HEW.

Senator THURMOND. You mentioned the Department of Labor. At what point are you cut off, and the Department of Labor comes in? Just what is that function? Would you set that out for the record?

Mr. OWEN. Let me just say there's no specific point.

Senator THURMOND. If you could just summarize it for the record, at what point?

Mr. OWEN. Yes, I'd be glad to.

Senator THURMOND. In each State.

Mr. OWEN. They have a Department of Labor representative in the Veterans' Administration, which is under the Department of Labor.

Senator THURMOND. Would you tell me just how this is coordinated? Should he be under the Veterans' Administration, or is it better to stay where he is? Some people felt this man maybe should be under the VA. At any rate, would you tell us about him, and is there anyone else available under the Department of Labor?

Mr. Owen. Senator, the Department of Labor has a program of responsibility for providing assistance in securing employment to any of our citizens. Then they have a specialized program for the veterans. By law, a veteran has priority or preference in these matters of unemployment, and so they have stationed in every State employment office, a veterans' employment representative to insure that this veterans' employment benefit is complied with, that the benefits are to every extent offered, and the veteran is provided employment.

In the last 9 months, the administration has provided an additional 600 employment representatives to beef up this program nationwide. As I have said previously—

Senator Thurmond. Excuse me for interrupting you. You might tell us, Mr. Owen, in the last 3 years what the VA has done on this whole question of veterans' employment. Will you summarize that?

Mr. Owen. I'll be glad to.

The Department of Labor has by law the responsibility of the employment field, and I would not take a position contrary to what the Congress has provided in this area, that the Department of Labor has this responsibility. But I will say that the Veterans' Administration does not shun in any way its concern with regard to the matter of employment of veterans.

For this reason, we have set up U.S. Veterans' Assistance Centers in every State in the Union. These are located in our regional offices, except in the Los Angeles, Newark, N.J., and the District of Columbia areas, where we have them located in the environment which could be, I suppose, described as a "ghetto area," or minority-type area.

Senator Thurmond. You don't have one of those in every State?

Mr. Owen. We have them in every State, but they're located in our regional offices, except in these three places I've described. Other Federal agencies have stationed their representatives in these U.S. Veterans' Centers, and the Department of Labor is one of the agencies. They have a veterans' assistance officer, a representative in these "USVACS", as we call them, and they coordinate, and aid those veterans who come to us seeking employment, rather than us sending them crosstown to an employment office. We have the information available right there on the spot, or we have the veterans' employment representative available on the spot to provide the assistance that is to be provided.

Senator Thurmond. When you say "information"——

Mr. Owen. This means jobs, job banks.

Senator Thurmond. Is that information about a specific job available, or just general information?

Mr. Owen. It is both, general information and specific jobs.

Senator Thurmond. In other words, you're running a separate little employment agency within the Veterans' bureau?

Mr. Owen. I would not choose to call it a separate employment agency. We do not want to impinge upon the responsibilities of the Department of Labor. It's supplemental, and what it's accomplished through coordination. We work with the Department of Labor and have this exchange of information. It has proved very successful in this past year.

As I recall, about 42,000 veterans were actually employed through this service.

We likewise, I believe, as one of the college students mentioned in his testimony a few minutes ago, have developed a program—and the Veterans' Administration was provided with 200 additional people to carry out this program last July—whereby our people go out and identify the training slots. We work with the employer. We have taken the position, rightly I hope, in dealing primarily with the small employer, since the large employers would have the know-how and the experts available to work with the various Federal agencies. We're going to the small employer, and we are actually identifying job slots and are working with the State approval agencies to obtain approvals. Then when a veteran is available to fit into this particular training situation—on-the-job training—we can immediately refer him, again utilizing the Veterans' Employment Service representative, to this on-the-job training program.

In the 7 months the program's been underway, we've reached about 55,000 employers, and over 48,000 of these slots have been identified. This is another step that we're taking to assist the veteran in the employment field. This also meshes in with their education program because on-the-job training is a part of our educational program.

Now, if I may, I would like to go back to this matter of information that we provide to the serviceman and to the veteran. Some of it may be repetitive. We do have pamphlets available for distribution on campus. Up until 1968——

Senator **Thurmond**. In the services, or out of the services?

Mr. **Owen**. Both, Senator.

Senator **Thurmond**. At every point of discharge you have pamphlets available?

Mr. **Owen**. Yes, sir.

Senator **Thurmond**. Are they given to each man?

Mr. **Owen**. They are provided to each man; yes, sir.

Senator **Thurmond**. Who does that? Do you take the responsibility, the VA, or does the service discharge unit?

Mr. **Owen**. No. We take the responsibility. I was going to describe the history of this a bit.

Up until about April of 1968, the services had the full responsibility for this matter of informing the serviceman, but there was a change made in the program, and the Veterans' Administration has assumed this responsibility, again working with the services. We visit the servicemen in the field, give them a general dissertation as to the benefits available, the orientation, and if any of them have made a decision at that time that they want to apply for educational benefits, or whatever, we render them personal assistance. Frankly, there are very few of them because although they've been identified for return to the continental limits, they're not to the point of separation at that time.

Then in the separation centers the VA representatives again explain these benefits. This is while they're still in the service. This is done in lecture form, by showing movies, including an official movie for this purpose, and we also have pamphlets available.

Then as soon as the man comes out of service, we send a letter to him and we tell him about available benefits. Thus, is could be enumerated that each man, if he listens, looks or reads, is informed about the VA four to six times. If he's a disabled or a disadvantaged man, he's reached six times perhaps.

But then I don't want to stop at just the Veterans' Administration. Other services, such as other Federal agencies and civic groups, are informing the veteran. The American Red Cross and the major veterans' organizations inform the veteran, as I indicated this morning. I don't want to say that some veteran hasn't been informed, but it has reached the point of being inconceivable to me that a veteran can say that he has never heard of the VA, or the VA benefits.

Again, I readily concede that many times we've failed to motivate the veteran to come to us, or to apply for the educational and training benefits. This is the area we are working in now, and this is the reason the President authorized development of the job preapproval identification program. This is the reason that we're going to go to the mobile VA offices. Hopefully, this summer we will get into these areas where apparently the people are not being motivated. But I still insist they are being told about the VA and VA benefits, but they're not motivated for some reason.

This is not only the ghetto areas, or the poor areas, but also the rural areas. We have some reason to think that they're not being motivated properly.

I do not contend that there is not room for improvement in all of these areas, but, on the other hand, we do have a great participation in our program. We would like to have still greater participation. We have around 285,000 on our compensation rolls who must have learned about VA, or heard about VA. We have now the greatest training roll that we've ever had in the Vietnam program, and next month in April, that will be still higher because of the people going into the program. We now have over 1,124,000 in this program.

The participation rate is now at 38 percent, and we have every indication, from all of our trends and statistics, that we will have a 54-percent participation by the Vietnam veterans in our education program, as compared to about 50.7 percent in our World War II program.

Actually, in comparing the two programs, we are sometimes, I suppose, being unfair with ourselves because the programs are really not comparable on all fours. In the matter of school training, and this gets, I suppose, to the heart of the matter—when they go to the schools. In World War II, the participation in school training was around 31 percent. At the present time, in-school training is at approximately 35 percent—a greater participation in school training now than in the World War II program.

Senator Cranston. I would like to get back to something Senator Hartke was pursuing in his questioning, Mr. Owen. If you don't have these figures, I would like you to supply them.

What was the average, as to private and public: First, payment for tuition and fees; and second, book payment in 1948 and 1949 under the World War II program?

Mr. Owen. Senator, in order to be precise and accurate, I will supply this information for the record.

Senator Cranston. All right.

Mr. Owen. I assume you want this converted to 1972 dollars, or do you want the actual dollars?

Senator Cranston. Please give it in both forms. Convert it as you would see it, and as it is now.

Mr. Owen. Very good. We'll be pleased to furnish that.

Senator Cranston. The second question I was going to ask you, and I'll ask it now so we'll get down exactly to what I'm after: What is the average public and private cost of education, first for tuition and fees, and second for books, for the 1972–73 school year?

Mr. Owen. We'll supply that also, Senator.

Senator Cranston. Fine.

Also, finally in this regard, what is the cost-of-living increase since 1948 when the veteran received $75 a month subsistence, comparing that to the fall of 1972?

Mr. Owen. We'll supply that for the record too, sir.

Senator Cranston. Thank you very much.

(Subsequently, the Veterans' Administration submitted the following information:)

COMPARISON OF WORLD WAR II (1948-49), KOREAN CONFLICT (1957-58), AND VIETNAM ERA (1972-73) VETERANS' EDUCATIONAL BENEFITS WHILE ATTENDING INSTITUTIONS OF HIGHER LEARNING, FULL TIME, NO DEPENDENTS

[1967=100]

Benefits	World War II (1948-49)		Korean conflict (1957-58)		Vietnam era (1972-73)
	Actual	Adjusted	Actual	Adjusted	Proposed S. 3059
CPI and ratio [1]	72.225	$\frac{129.227}{72.225}=1.789$	85.625	$\frac{129.227}{85.625}=1.509$	129.227 (projected by HEW).
Subsistence allowance (9-month period):					
Public	$75×9=$675	$675×1.789=$1,208	$110×9=$990	$990×1.509=$1,494	$190×9=$1,710.
Private	$75×9=$675	$675×1.789=$1,208	$110×9=$990	$990×1.509=$1,494	$190×9=$1,710.
Tuition and fees (cost of books, not available): Average rates:					
Public	$140	$250 (1972-73 rate $392)	$182	$275 (1972-73 rate $392)	$392.
Private	$396	$708 (1972-73 rate $1,919)	$650	$981 (1972-73 rate $1,919)	$1,919.
Total VA payment:					
Public	$815	$1,458 ($1,600) [2]	$990	$1,494	$1,710.
Private	$1,071	$1,916 ($3,127) [2]	$990	$1,494	$1,710.

[1] Estimated CPI for school year 1972-73 is 129.227 (Office of Education). [2] Amount based upon estimated cost of tuition in school year 1972-73 plus constant dollar value. (1972-73) of World War II subsistence allowance.

Senator Thurmond. Thank you very much, gentlemen.

Excuse me, Mr. Chairman. I have another appointment.

Senator Cranston. Certainly.

The figures you have presented to the committee show the number of veterans who have received GI benefits. What percentage figures do you have of those who had to drop out and failed to complete a full program, or who cannot attend full time? We need figures for periods of participation before dropout: 1 to 3 months; 4 to 6 months; 7 to 9 months; and so forth?

Mr. Owen. We'll attempt to supply that for the record to the best of our ability. But, again, I'm sure the committee is aware that there are many reasons for dropping out.

Senator Cranston. Yes. If you have any analysis of the reasons to add to these figures, we would appreciate it.

(Subsequently, the Veterans' Administration submitted the following information:)

About one of five Vietnam era college trainees enrolled on a part time basis. VA reports do not provide the information requested on course completion or number of months veterans remain in training. However, available data for college trainees under the GI bill indicate that eight of ten continue into training the second year, two of three original starters continue in the third year, and more than half continue into the fourth year. Since these data do not provide information as to the amount of college already completed before the veteran began training under the GI bill, these data do not permit assumptions as to rate of completion or drop out.

Senator Cranston. How do the number of veterans who are forced to drop out of college due to economic hardship, so far as you know, compare with those who were forced out of the World War II and Korean conflict programs?

Mr. Owen. We will attempt to develop that information also.

(Subsequently, the Veterans' Administration submitted the following information:)

VA reports show terminations in total and do not identify veterans who stopped training because of economic hardship. We do not have comparative data on reasons for noncompletion of training for World War II, Korean conflict and Vietnam era trainees.

Senator Cranston. Of the veterans who are married, do you have any information how many have wives who are working?

Mr. Owen. We will supply that also, Senator.

Senator Cranston. Fine.

(Subsequently, the Veterans' Administration submitted the following information:)

VA data on dependency status identifies veterans with no dependents, and those with one, two, or more dependents, but not their relationship. In the 1971–72 school year (November 1971) 62.7 percent of the veterans in college on a half time or more basis, had one or more dependents. We assume that, in most cases, one of the dependents was a spouse, but we cannot say how many were working.

Senator Cranston. Would you please tell us now for the record what are the participation rates today, broken down by institutional categories, comparing the World War II figures with those of today?

Mr. Owen. This data was developed after the first 67 months of the educational program. There were more total trainees in the first 67 months in the Vietnam era program than in the Korean programs. The total trained in the first 67 months shows: World War II, 43.3 percent; Korean conflict, 39.2 percent; post-Korean—this is the group that served from February 1, 1955—34.2 percent; and the Vietnam era, which is from the resolution date to the present time, 38.4 percent. I suppose a more pertinent comparison would be the 67 months for World War II, 43.3 percent; and the Vietnam era, 38.4 percent.

Going then to the school training, this is the total for school trainees: World War II, 31.1; Korean, 33.6; Vietnam era, 35 percent.

On-the-job: World War II, 8.9 percent; Korean conflict, 4 percent; Vietnam era 3.3 percent.

Farm training: World War II, 3.3; Korean, 1.6; Vietnam era, one-tenth of 1 percent.

(Subsequently, the Veterans' Administration submitted the following information:)

COMPARISON OF ELIGIBLE VETERANS AND PARTICIPATION RATES AFTER 1ST 67 MONTHS OF EDUCATIONAL ASSISTANCE UNDER 3 GI BILLS

	World War II, June 1944 to December 1949	Korean conflict, September 1952 to March 1958	Post-Korean, June 1966 to December 1971	Vietnam era, June 1966 to December 1971
Veteran population	15,294,000	5,320,000	8,713,000	5,597,000
Total trained	6,623,479	2,084,501	[1] 2,977,375	[1] 2,146,465
Percent	43.3	39.2	34.2	38.4
School trainees	4,760,153	1,786,378	2,742,863	1,958,724
Percent	31.1	33.6	31.5	35.0
College, percent	(13.6)	(20.0)	(18.5)	(21.2)
Below college, percent	(17.5)	(13.6)	(13.0)	(13.8)
On-job	1,356,433	211,030	227,871	184,846
Percent	8.9	4.0	2.6	3.3
Farm	506,893	87,093	6,641	2,895
Percent	3.3	1.6	.1	.1

[1] Includes 224,229 servicemen.

Senator Cranston. Can you tell us what percent of World War II and Korean conflict veterans were high school graduates, but were not college graduates, and how that compares with today's figures?

Mr. Owen. I'll supply that for the record.

Senator Cranston. Could you also tell us what percentage of the Nation's high school graduates went into college training under the prior two programs, and what percentage is going in today?

Mr. Owen. We will also develop that.

Senator Cranston. I would also like to get from you the same comparative data for high school dropout participation, and what that rate is today.

Mr. Owen. We will provide that.

(Subsequently, the Veterans' Administration submitted the following information:)

See the table below. Vietnam era veterans are better educated than veterans of previous wars. Only one of five Vietnam era veterans had less than a high school education at time of discharge, compared to more than half (54.6%) from the World War II period. Data from Census Current Population Survey indicates that 11.6 percent of the Vietnam era veterans in the 20–29 age group had 1–11 years of schooling. This reduction from one of five indicates that many of the educationally disadvantaged Vietnam era veterans are attaining high school certification through graduation or by qualifying for a GED certificate.

Available data from the Office of Education show that in the total population, the percentage of high school graduates who entered college was: 1950, 40.6 percent; 1958, 52.9 percent; 1970, 61.8 percent.

For the same time periods the loss (dropout rate) between persons who enrolled for the ninth grade and those who graduated from high school was: 1950, 37.4 percent; 1958, 34.3 percent; 1970, 21.9 percent.

PERCENT DISTRIBUTION, EDUCATIONAL ATTAINMENT UPON SEPARATION FROM ARMED FORCES

	World War II	Korean conflict	Vietnam era
4 years high school	26.3	43.5	58.1
Less than high school	54.6	37.5	20.5
College, 1 or more years	19.1	19.0	21.4

Senator CRANSTON. Has the Veterans' Administration conducted any surveys as to the economic background of the veterans who participate under the GI bill and those who don't?

Mr. OWEN. No, sir.

Senator CRANSTON. Do you plan any surveys?

Mr. OWEN. We have approached the program from the standpoint of whether the veteran is disadvantaged, and the definition of disadvantaged in this program is one who has not received a high school diploma. We have not gone into the economic factors themselves.

Senator CRANSTON. Does the Veterans' Administration have any information on the number of veterans receiving aid in the form of grants, scholarships, or loans in addition to their VA benefits?

Mr. OWEN. We will attempt to develop that, Senator.

Senator CRANSTON. Fine. If you would do that, with the Office of Education, it would be helpful.

(Subsequently, the Veterans' Administration submitted the following information:)

The Office of Information, HEW was contacted. They could not provide information as to the number of veterans receiving grants, scholarships or loans in addition to their VA benefits.

Senator CRANSTON. What information do you have on the rise in cost of education for below college level institutions from 1948 to date?

Mr. OWEN. The only area we have data on at the present time is on correspondence, not on the other type of training establishments. I can assure you that we will attempt to develop that, and if it is available, we will supply it for the record.

Senator CRANSTON. Fine.

(Subsequently, the Veterans' Administration submitted the following information:)

The only cost data we have found for public schools is the per pupil cost for all grade levels, elementary school through high school or vocational school. This cost has risen from $179 in 1948 (current dollars) to $858 in the 1971-72 school year. However, relatively few veterans train at this level and generally there is no charge to the student at this level.

Comparative cost data for charges by private schools for those periods is not available. However, we can say that there is a vast difference in the current cost of vocational courses, based upon the types of courses. Further, the nature of the training given by business or trade schools has changed greatly during this period, so that the difference in charges by a particular type of school would vary between these two periods because of differences in the type (content) of course as well as the cost of instruction.

The Office of Education, HEW had no further information on cost for below college level institutions.

Senator CRANSTON. Do you have any information on the difficulties the veterans are having in getting their educational loans?

Mr. OWEN. Let me say, Senator, that I have no direct information, but, in fact, I did hear part of the testimony this morning from the college student. I was called in the other room. I think they made some reference to this.

Senator Cranston. Could you consult with the Office of Education and perhaps come up with something on that?

Mr. Owen. We will attempt it.

Senator Cranston. I would appreciate that.

(Subsequently, the Veterans' Administration submitted the following information:)

The Office of Education, HEW was consulted on this question. They do not have the requested information.

Senator Cranston. What percentage of the students were enrolled in public as compared to private institutions of higher learning under the World War II and Korean conflict GI bills, and how does that compare with today's figures?

Mr. Owen. In World War II, there was approximately 50 percent each way, 50–50. In the Vietnam era, we have 79 percent of the college students enrolled in public institutions and 21 in the private. In the Korean, I will have to develop that.

(Subsequently, the Veterans' Administration submitted the following information:)

PERCENTAGE OF STUDENTS ENROLLED IN PUBLIC AND PRIVATE INSTITUTIONS OF HIGHER LEARNING UNDER THREE GI BILLS IN COMPARISON WITH NONVETERAN COLLEGE STUDENTS

School year	Veteran college students		All college students	
	Public	Private	Public	Private
1948–49 (World War II)	50	50	49	51
1957–58 (Korean conflict)	62	38	58	42
1971–72 (Vietnam era)	79	21	74	26

These data reflect the general shift toward greater proportionate usage of public colleges by all college students.

Between school years 1948–49 and 1971–72 the total enrollment in public colleges increased 431 percent, compared to an increase of 79 percent in the private college enrollment. A large share of this increase in public college enrollment is due to the rapid expansion of public junior (community) colleges in recent years.

When the total veteran enrollment under the GI bill is compared with the male college enrollment, we find that the proportions were as follows: World War II, 7 of 10; Korean conflict, 1 of 4; Vietnam era, 1 of 7.

Senator Cranston. How do you explain the difference?

Mr. Owen. I would explain the difference, Senator Cranston, in that the trend generally in this Nation is toward the public education sector. I think that everything that we've agreed, or studied, shows the difficulties of the private institutions, you might say, from the competition from the public sector, in maintaining the schools even.

Part of this, I suppose, is due to the support that is given through the Federal Government to the public institutions that is not provided to the private institutions. I believe that in the current year, over $1.5 billion is being provided to support the public institutions. The States themselves have also developed a network of public institutions. Many States have developed a junior-college-type institution, one that was not available following World War II. Sometimes it's referred to as a community college. Many States are attempting to locate these so that they will be within commuting area of distance of the person.

Some States, like your great State of California, have practically a free tuition in their colleges, and this has caused an influx to the public colleges.

Senator CRANSTON. Do you have comparable figures for the nonveteran student populations? If it's remained the same, or if there's been a change?

Mr. OWEN. We will try to get the information. I'll just hazard a guess off the top of my head, it will be very similar.

Senator CRANSTON. If we could have both the veterans and nonveterans, total students.

Mr. OWEN. Yes.

(Subsequently, the Veterans' Administration submitted the following information:)

Data on enrollment in public versus private colleges is available only for total students (including females). The veteran enrollment as a percentage of total college enrollment was as follows:

PERCENTAGE OF VETERAN AND NONVETERAN ENROLLMENT OF TOTAL STUDENTS (INCLUDING FEMALES) IN PUBLIC AND PRIVATE COLLEGES

	All colleges	Public	Private
World War II (fall 1947)	49.5	50.2	48.8
Korean conflict (fall 1956)	16.3	16.9	14.1
Vietnam era (fall 1971)	8.7	9.3	7.0

The relative relationship of a higher percentage enrollment of veterans in public colleges is constant for these three periods. These comparisons may be distorted somewhat by the rapid increase in the proportionate enrollment of females in college since the World War II program. The female enrollment has increased from 29 percent of the total in 1947 to 35 percent in 1956 and 42 percent in 1971.

Senator CRANSTON. At the peak of the World War II program participation, what percentage did veterans constitute of the total enrollment in private institutions?

Mr. OWEN. We will have to develop that, sir. In all colleges, a major portion of the students were veterans. In fact, seven out of eight were veterans.

Senator CRANSTON. If you could, develop exact figures and also comparable figures for the Korean conflict program, and how those compare with today's figures.

Mr. OWEN. Yes, sir.

Senator CRANSTON. Could you give us the same statistics for public schools?

Mr. OWENS Yes, sir.

(See preceding material subsequently supplied on p. 505.)

Senator CRANSTON. Since the program's inception, could you tell us how many servicemen have been enrolled in PREP programs?

Mr. OWEN. We will obtain this information and provide it to you.

Senator CRANSTON. Fine. If you could break that down by remedial, deficiency programs and elementary and secondary diploma programs, that would help.

Mr. OWEN. You're speaking there about the GED program that's been operated by the services themselves, rather than the Veterans' Administration?

Senator CRANSTON. Yes. That's one separate category, remedial and deficiency.

What percentage of servicemen eligible for this program does that constitute? Would you cover that point also?

Mr. OWEN. All right, sir.

(Subsequently, the Veterans' Administration submitted the following information:)

DEPARTMENT OF DEFENSE STATEMENT ON PREP AND OTHER HIGH SCHOOL COMPLETION AND REMEDIAL PROGRAMS IN THE ARMED FORCES

At the end of June 1971, PREP was being offered at a total of 65 locations in the United States and overseas with approximately 2,000 service members then participating. Today, PREP is being offered at approximately 150 locations; with an estimated 9,300 service members participating. In recent months the program has more than doubled in terms of locations and increased more than fourfold in terms of participation. There is clearly an accelerating rate of growth in the use of PREP within the Armed Forces. Available data does not distinguish between participation in high school completion and remedial programs.

PREP participation alone gives far from a complete picture of the opportunities available to servicemen and women to earn high school completion status or to participate in remedial programs. At the present time, approximately 40,000 servicemen and women are enrolled in a variety of programs other than PREP to accomplish these purposes. In these programs, individuals prepare for the high school equivalency examination or do remedial work at no cost to them with the help of contract teachers (paid from Service funds) or of volunteer tutors. The United States Armed Forces Institute provides materials for use either in group study classes or in correspondence study. Some states and localities provide service members high school completion and remedial courses without charge. These are most frequently offered on-base so that the serviceman has easy access to them.

PREP participation will continue to expand. PREP benefits offer a strong incentive for institutions to provide, and for individuals to take, high quality programs with well-qualified staff and necessary supportive services. Department of Defense policy is that PREP will be used to the maximum feasible extent for high school completion and remedial work. Where the military mission permits, use of on-duty time for PREP is encouraged. However, there will be continued use of programs other than PREP. Individuals wishing to prepare for high school equivalency may not under present law use PREP benefits. They will be served by other programs as will those at remote or isolated sites. Where states and localities provide high quality programs at no cost to servicemen, these will be used rather than PREP.

There are now an estimated 350,000 individuals in the Armed Forces who are non-high school graduates. Two hundred thousand or more high school graduates could probably benefit from remedial education. At present levels, yearly participation in high school completion or remediation is estimated at 161,000 individuals. As a result, over 86,000 men and women earned high school equivalency status during calendar year 1971. At present levels, PREP would account for an estimated 37,000 individuals per year, approximately one-quarter of the total participation in high school and secondary remedial programs.

Senator CRANSTON. How many veterans have been enrolled in section 1691 programs, using the same breakdown that I asked for PREP, which provide for special assistance to veterans who haven't received a secondary school diploma?

Mr. OWEN. Approximately 70,000.

Senator CRANSTON. Can you break that down to remedial and deficiency?

Mr. OWEN. We will attempt to.

Senator CRANSTON. If you could compare that for high school, too.

Mr. OWEN. Yes.

Senator CRANSTON. How does this compare with the total number of veterans discharged during that period of time with less than a high school education? I presume you don't have that.

Mr. OWEN. We will furnish that.

(Subsequently, the Veterans' Administration submitted the following information:)

Veterans enrolled in free entitlement training—Cumulative March 1970 to EOM January 1972: IHL, 23,669; BCL, 48,581; total, 72,250.

The number of Vietnam era veterans separated with less than a high school education was approximately 845,000, as reflected by DD 214 records. This estimate excludes servicemen who served less than six months and those whose discharges were other than honorable.

Many of the veterans with less than twelve years of schooling enter types of training which do not involve free entitlement (e.g. on-job or trade schools). Further, many of these veterans acquire high school certification by qualifying for a GED certificate. The Census Current Population Survey for March 1971 indicates that only 11.6 percent of the Vietnam era veterans age 20–29 are non high school graduates.

Senator CRANSTON. Under the tutorial program which provides for special assistance for those having trouble in secondary courses, how many veterans have received assistance since the program's inception 2 years ago?

Mr. OWEN. Mr. Taaffe is developing the figures, Senator Cranston.

I would like to elaborate on that a little bit. There's been some misconception about the program. This program has been fully publicized on every campus. Again, we hopefully have reached the veteran in this instance. It is a very simple procedure. All that is required is that the instructor certify that this particular veteran student does need tutorial assistance, and then the veteran sends this certification to us. It's a matter of choice of instructor and is very liberal. We do not require, in other words, that it be the particular instructor that he has in that class, and we pay up to $50 a month for this tutorial assistance.

I say it's a very simple procedure, and the number that have participated to date is 5,071—not to date, but through December 31, 1971.

Senator CRANSTON. What was that?

Mr. OWEN. 5,071.

Senator CRANSTON. How many of those in school would you estimate have used that assistance?

Mr. OWEN. I would assume that everyone who has needed that has used it, because all it requires is a certification by a professor or instructor that this assistance is needed, and then the information is conveyed to us. So if the people have not received it, it is lack of certification on the part of the professor.

Senator CRANSTON. I question the assumption that all who could use it have gotten it, because I don't think it's being pushed in a way that brings it to the attention of the students.

Mr. OWEN. Let me say that we will undertake a republicizing of this, because we want them all to know about it. We certainly don't want to impede the program in any way.

Senator CRANSTON. Good. I would appreciate it very much if you would let us know how you are doing that and where.

How many schools have actually instituted the program, are taking advantage of it, out of all of the schools?

Mr. OWEN. We do not have the numbers of schools itself, but perhaps this could be developed from the data. But let me say that every school has been informed of this.

Senator CRANSTON. Could you develop that figure of how many schools actually have done it?

Mr. OWEN. Yes.

(Subsequently, the Veterans' Administration submitted the following information:)

Tutorial assistance is available to all veterans who are pursuing postsecondary training at an educational institution on a half-time or more basis. We do not maintain records of the individual schools furnishing such assistance.

Following is a report showing the number of individuals paid by Regional Office under this program.

REPORT OF TUTORIAL ASSISTANCE FOR QUARTER ENDING MAR. 31, 1972

Station name	Station No.	Tutorial assistance—Ch. 37						
		Individuals paid		Payment months		Dollars paid		Payment months for which a maximum rate of $50 per month was paid to date
		This quarter	To date	This quarter	To date	This quarter	To date	
Item		1 A	1 B	2 A	2 B	3 A	3 B	4 A
Grand total		3,044	8,590	5,559	17,383	227,819	690,796	7,392
Area No 1.—Total		363	846	829	1,851	33,758	76,410	943
Connecticut: Hartford	308	20	47	42	134	1,696	5,701	76
Delaware: Wilmington	360	6	11	11	35	340	1,398	17
District of Columbia: VBO	372	16	47	40	119	1,456	4,646	37
Maine: Togus	402	8	18	15	55	698	2,221	25
Maryland: Baltimore	313	7	20	30	47	915	1,494	6
Massachusetts: Boston	301	43	109	92	268	3,875	11,318	151
New Hampshire: Manchester	373	7	10	1	4	289	597	4
New Jersey: Newark	309	51	109	95	206	4,073	8,206	84
New York:								
Buffalo	307	94	126	256	311	10,598	12,712	159
New York	306	51	79	130	195	5,219	7,829	87
Pennsylvania: Pittsburgh	311	25	79	44	210	1,897	9,116	133
Rhode Island: Providence	304	8	12	20	31	618	879	7
Vermont: White River	405	1	4	3	6	85	195	1
West Virginia: Huntington	315	26	175	50	230	1,999	10,098	154
Area No. 2—Total		1,004	3,328	1,649	5,689	69,187	225,915	2,486
Alabama: Montgomery	322	44	163	96	291	4,036	10,889	60
Arkansas: Little Rock	350	154	672	199	882	9,194	40,420	615
Florida: St. Petersburg	317	82	315	264	754	11,622	32,553	410
Georgia: Atlanta	316	85	322	192	533	8,382	22,375	247
Kentucky: Louisville	327	22	66	26	142	914	5,217	49
Louisiana: New Orleans	321	161	470	161	570	7,130	24,589	331
Mississippi: Jackson	423	7	12	20	43	600	1,384	14
North Carolina: Winston-Salem	318	53	128	100	365	4,441	15,176	163
Puerto Rico: San Juan	455	NG						
South Carolina: Columbia	319	69	146	121	309	5,060	11,942	145
Tennessee: Nashville	320	87	368	136	612	5,027	19,414	168
Texas:								
Houston	362	35	130	52	284	1,863	10,400	90
Waco	349	180	487	231	784	9,030	27,304	149
Virginia: Roanoke	314	25	49	51	120	1,888	4,249	45
Area No. 3—Total		779	2,121	1,417	5,169	57,218	203,745	1,893
Illinois: Chicago	328	42	301	71	589	2,885	22,972	178
Indiana: Indianapolis	326	41	65	86	181	3,439	7,387	77
Iowa: Des Moines	433	19	68	38	197	1,548	7,418	81
Kansas: Wichita	452	54	117	81	261	2,830	9,016	85
Michigan: Detroit	329	73	161	176	389	7,075	14,409	151
Minnesota: St. Paul	335	18	57	42	159	1,975	6,089	61
Missouri:								
St. Louis RO	331	105	308	188	726	7,649	28,725	23
St. Louis RPC	376							
Nebraska: Lincoln	334	13	28	37	71	1,377	2,503	20
North Dakota: Fargo	437	35	73	66	187	2,931	7,564	72
Ohio: Cleveland	325	32	65	60	169	2,148	6,356	63
Oklahoma: Muskogee	351	188	518	295	1,507	12,249	63,842	805
Pennsylvania: Philadelphia	310	43	117	79	251	3,111	9,393	98
South Dakota: Sioux Falls	438	17	26	39	102	1,702	4,455	41
Wisconsin: Milwaukee	330	99	217	159	380	6,299	13,616	138
Area No. 4—Total		898	2,295	1,664	4,674	67,656	184,726	2,070
Alaska: Juneau	363	0	1	0	2	0	23	0
Arizona: Phoenix	345	35	56	80	142	3,048	5,535	21
California:								
Los Angeles	344	231	479	462	1,174	19,912	48,994	643
San Francisco	343	177	592	351	1,028	14,822	43,997	568
Colorado: Denver	339	75	187	134	468	5,544	18,855	218

REPORT OF TUTORIAL ASSISTANCE FOR QUARTER ENDING MAR. 31, 1972—Continued

Station name	Station No.	Tutorial assistance—Ch. 37						
		Individuals paid		Payment months		Dollars paid		Payment months for which a maximum rate of $50 per month was paid to date
		This quarter	To date	This quarter	To date	This quarter	To date	
Hawaii: Honolulu	359	5	13	19	43	870	1,764	20
Idaho: Boise	447	58	172	65	216	2,682	9,452	124
Montana: Fort Harrison	436	30	78	56	194	1,990	6,062	18
Nevada: Reno	454	11	29	17	45	677	1,648	13
New Mexico: Albuquerque	340	9	42	27	110	794	3,770	34
Oregon: Portland	348	110	254	188	551	6,498	18,169	120
Philippines: Manila[1]	358							
Utah: Salt Lake City	341	26	76	41	107	1,402	3,305	25
Washington: Seattle	346	99	266	168	421	6,779	15,255	154
Wyoming: Cheyenne	442	32	54	56	173	2,838	7,897	112

[1] Exempt from reporting.

Senator CRANSTON. In S. 3059, which contains administration proposals, you ask for authority to hire student veterans. Assuming passage of that provision, in what types of jobs would you expect to employ veterans?

Mr. OWEN. These would be employed basically in what has been known as the contact program, which now is called our veterans' assistance program, again of informing veterans of their benefits, assisting them in coming up with their applications for the benefits. We would use them in our fieldwork in our regional offices, in our income questionnaire period, where over approximately 1 million of these income questionnaires are sent out in November, and sent back to us and come back in the months of December and January. We would use them at that point.

Also, we have a peak employment period in education enrollment, particularly in September and October. We would plan to use them at that time also.

Senator CRANSTON. How many would you expect to hire in the first year, and how many in the second year?

Mr. OWEN. It would be difficult for me to give you a figure at this time. We will supply for the record what our estimate of our judgment would be.

Senator CRANSTON. Could you also indicate what the average period of employment would be expected to be, and the average weekly wage?

Mr. OWEN. Yes.

Senator CRANSTON. How much money to hire veteran students under this new authority is included in the Veterans' Administration fiscal year 1973 budget request?

Mr. OWEN. There is no line item in the 1973 budget for this specific item. This is in our overall general operating expense request, and I think that there will be adequate funds to provide, or to enable us to employ, all that we will need.

Senator CRANSTON. How much money would be available for that purpose in the GOE account?

Mr. **Owen**. I would first have to develop the data as to the exact number that we need, and then I can assure you that there will be adequate funds for that purpose. We do have funds in the general operating expense account for overtime, and we would plan to utilize some of this money in this direction, and in overtime, if we have authority.

Senator **Cranston**. How much money is added to the GOE account for this overtime?

Mr. **Owen**. I would have to go back to the budget.

Senator **Cranston**. Would you do that?

Mr. **Owen**. I'll do so, yes.

(Subsequently, the Veterans' Administration submitted the following information:)

The VA Budget for fiscal year 1973 includes funds for approximately 300 man years of this type of employment. Since most veterans would not work more than 100 hours this would support 5000–6000. The rate of pay would be commensurate with the type of work performed with a minimum rate of $2.48 per hour. Most veterans would be paid $2.80 or $3.15 per hour.

No specific amount is set aside for student veteran employees. There is, however, $1 million in the GOE account for overtime. Part of this would be used to pay veteran student employees.

Senator **Cranston**. You have proposed a 48-percent increase in on-the-job training benefits. How did you arrive at that figure?

Mr. **Owen**. Senator, so far as the logic in the percentage increase, relating it to a cost-price increase, or anything of this nature, we didn't pursue it this way. We attempted to arrive at a monthly figure that, in our judgment, would entice more people into this program.

Again, as we spoke many times this morning about the disadvantaged veteran, the veteran residing in the ghetto area, the rural area, this is probably the veteran who will go into the on-the-job training programs. We want to provide a benefit that will enable him to go into this program, I might say entice him to go into the program. Of course, in this program the employers pay additional monthly wages to the person.

Senator **Cranston**. I'm all for supporting this effort, but we do need justification from you to substantiate our case, so if you will follow that forward to the best of your ability.

Mr. **Owen**. We will try to supply a more definitive reason.

Subsequently, the Veterans' Administration submitted the following information:)

The Administration has designated the area of employment of returning Vietnam veterans one for major effort. On-the-job training programs, in addition to raising an untrained veteran to the level of a journeyman in a field of endeavor, also furnishes him with employment while training and at the completion of the program. Through job-outreach, the Veterans Administration has been working with employers to establish new opportunities for on-job training. In order to obtain veterans to fill these new training positions which are opening, an added inducement was felt to be necessary to bring veterans into OJT. The proposed rate of $160 is felt to be sufficient inducement to further increase the number of veterans entering this important, growing program.

Senator **Cranston**. Assuming passage, what increase do you anticipate in the number of veterans in the on-the-job training program for the coming fiscal year?

Mr. **Owen**. In our approach to this we would anticipate at least a 50,000 increase in on-the-job training.

Senator Cranston. I have more questions, which Senator Hartke has asked me to submit for the record.

I would like you provide all exhibits for the record within 1 week of receipt of the transcript, or sooner than that if it's possible to do.

All the additional questions will be printed in the record, and I would appreciate if you could send the answers, when you have prepared them to Mr. McMichael.

Mr. Owen. We certainly would be pleased to.

Let me also emphasize, Senator Cranston, that some of this data we're not positive we can develop. If it can be developed, we'll certainly do so.

Senator Cranston. Fine. If you will tell us what you can and what you can't produce, and don't hold it all until the end. If you could send it in periodically, we would appreciate it.

Mr. Owen. We'd be pleased to do so.

Senator Cranston. That would be a great help.

On the OTJ justification particularly we need what you want to do.

(Additional questions of Senator Hartke with answers subsequently supplied by the Veterans' Administration follow:)

ADDITIONAL QUESTIONS SUBMITTED BY SENATOR HARTKE AND ANSWERS FROM THE VETERANS' ADMINISTRATION

Would you please explain to the Committee how the Chapter 31 Vocational Rehabilitation program operates, particularly with respect to payment of tuition and books. What is the average payment for books?

The disabled veteran who qualified for rehabilitation training is counseled and assisted in choosing a program of education and training suitable to his capabilities and interests. A vocational rehabilitation specialist works with the disabled veteran in choosing a school and in the enrollment procedures. The Veterans Administration contracts with the school to pay for tuition, books, fees and suplies.

While the veteran is in school, the rehabilitation specialist remains in regular contact, arranging for any additional help that may be required such as tutoring.

While enrolled in the program and for a period of two months following a determination that he is employable, the veteran receives the subsistence allowance provided in section 1504, title 38, US Code.

The average payment for books for a veteran in the vocational rehabilitation program attending an institution of higher learning in the 1970–1971 school year was about $104.

What is the percentage breakdown as to private and public school enrollment? What is the average payment of tuition at public as compare to private schools?

There are no figures available as to public vs private school enrollments under this program. The average tuition payment for veterans under chapter 31 enrolled in institutions or higher learning for school year 1970–1971 was about $545.

How does this compare with those enrolled under Ch. 34?

Unable to compare as we have no private vs public figures.

Have you had any significant problems in the administration of this program?

No.

Would you please tell us the nature of complaints you have received regarding GI Bill programs at proprietary vocational or correspondence schools, giving us some idea also as to the number of complaints you have received during the past year?

Type of Complaints

1. Salesman offered to furnish answers to all lesson questions so that completion can be claimed in 3 or 4 hours so that certification of lessons completed can be submitted with VAF 21E–1990 and VA payments could be made.

2. Requirement of use of school address as students' address and schools endorsement of veterans checks.

3. Fiscal problems of schools which caused them to discontinue training. In some cases veterans have borrowed from banks to pay schools in advance and are obligated to the commercial loan even though the school is now bankrupt.

4. Threat of suit by "holder in due course" of loan even though veteran had adhered to all required procedures in notifying school of interruption.

5. Failure of correspondence school to furnish lesson material on a timely basis.

6. Failure of school to submit certifications of attendance or lessons completed on a timely basis, resulting in delay of educational assistance allowance.

7. Various misunderstandings on the part of school representatives resulting in delay in enrollment documents.

8. Failure of school to grant credit for previous training or experience.

9. Flight school is overstating charge to veterans so that VA will actually pay 100% course cost instead of 90% permitted.

10. False claim by flight schools:

(*a*) For heavier horsepower plane than actually used;
(*b*) For hours not flown;
(*c*) For dual flight when solo flown;
(*d*) For ground school not given;
(*e*) That school has at least 15% non-veteran trainees;
(*f*) Substitution of other plane or equipment for that approved and required for the course.

11. Various questionable sales techniques or false claims:

(*a*) Course would prepare for a vocational objective when it was not proven to do so. (False employment promises);
(*b*) Course was fully paid for by VA;
(*c*) Course was "approved" or "accredited" by VA;
(*d*) Use of VA seal as part of approved literature;
(*e*) "Aptitude" test given and accepted by school was insufficient because veteran could not understand lesson material;
(*f*) Course will do more than it can deliver;
(*g*) VA will pay tuition cost for a resident course plus a subsistence allowance to meet living expenses;
(*h*) As an inducement to veteran, offer resident portion of a combination correspondence-resident course in a non approved location;
(*i*) Use of post office boxes rather than address of local sales representative;
(*j*) Excessive claim as to attention given to grading of lessons by "name" personnel not actually a part of school operation;
(*k*) Blind ads which read like help wanted ads but are sales ads;
(*l*) Veteran was induced to sign an application for a loan when he was told by the salesman that he was signing an application to a school and for VA benefits.

12. Various types of attempts to collect:

(*a*) Threat of law suit unless all tuition paid, even though interrupted properly;
(*b*) Threat of addition of attorney's fees for collection, even though illegal;
(*c*) Failure of school to make refunds in accordance with published refund policy, that, is school will ignore refund unless veteran complains;
(*d*) Use of school address to secure veteran's check and stamping of veterans check by school, e.g. "for deposit to ——— school account" before check is delivered to veteran;
(*e*) Refund not in accordance with salesman's statement to veteran.

You have proposed that the veteran bear 10% of the cost of correspondence courses and that this will give him a greater stake in his education. What effect, if any, do you anticipate this change would have on enrollment rates in the coming year?

We are unable to determine the exact numbers affected. We expect the numbers who enroll but fail to complete the program will be reduced. This also should lead more veterans to choose institutional training.

Under S. 2660, which I cosponsored with Sen. Cranston and others, female veterans would be treated equally with regard to receiving additional allowances if they are married. I understand the administration has now adopted this provision. Would you tell the Committee how many women would be affected by this change? How much money would this cost? What is the average per woman veteran?

Approximately 5400 female veterans would be affected by the change in payment for dependent husbands while attending school, at a cost of about $1 million annually.

On the basis of the rates proposed in S. 3059, the average additional annual payment would be about $185 per veteran.

Would you also tell us what the overall female veteran participation rate in GI educational programs is today?

The overall participation rate of female veterans in the GI Bill educational programs is approximately 25%.

Under proposals before this committee, the right to pursue correspondence courses would be extended to wives and widows, and apprentice and other OJT programs would be authorized for wives, widows and children. How many enrollments in each of these new programs do you project for the first full fiscal year should this be enacted?

Correspondence, 2300; OJT, 4500.

There have been several suggestions that the maximum period entitlement should be extended from 36 to 48 months as it was under WW II. Supporters say that many veterans must work and therefore are unable to finish in the normal time period. What information do you have concerning the number of veterans who are not completing their course of instruction in the allotted 36 months under the present program?

We have no information. However, a veteran attending less than full time is charged entitlement on a lesser basis and receives the equivalent to 36 months full time support over the longer than 36 months he pursues the program.

Senator CRANSTON. I thank you very, very much for your presentation, and for appearing here.

Mr. OWEN. Thank you, sir.

Senator CRANSTON. Our final witness is Joseph Garcia, director of the Seattle Veteran Action Center.

Mr. Garcia, you've been very patient this morning, and I appreciate that.

If you have a prepared statement, I would like to have you submit it for the record in view of our very tight schedule now. I would like to simply ask you to proceed in this way.

STATEMENT OF JOE GARCIA, DIRECTOR OF SEATTLE VETERAN ACTION CENTER, SEATTLE, WASH.

Senator CRANSTON. First of all, you've been working with disadvantaged veterans, as I understand it, at the grassroots level in Seattle, and what I would like to get from you, just verbally now, is your reaction to the VA's testimony this morning, particularly with respect to the outreach efforts, to get to disadvantaged veterans with the message as to what is available to them, if they seem to take advantage of it.

Mr. GARCIA. To answer that, Senator, my response would be that the present level of the outreach program is not geared toward the minority or low-income disadvantaged veterans that make up a large sector in the ghetto and rural areas in this country. VA's letters and telephone calls go unheeded. Veterans just don't respond in that way.

What is needed more in this country is a similar project like we run in Seattle made up of young veterans who come back to a community, who have been through the bureaucracy of the VA and service agencies in the community, trying to survive with their families and trying to get through school.

What we do in Seattle is have a young staff. This staff is totally familiar with its peers and helps them through these problems. And

65 percent of my staff, 33 full-time and part-time people, are minorities. They know their community. They know where the veterans are. We get down there in the community. We talk to them, we rap with them, we try to sell the GI bill; besides, we are products of the GI bill. Many of us have used the GI bill or are presently using the GI bill. We know how to go to the VA and get our benefits the quickest way possible. We know how to go to welfare offices and get our food stamps. We know how to go to the employment service office and demand our unemployment insurance rights. Putting these things in a package for a veteran is just a better package for the veteran to get back in school. If we simply do that, give the inadequacy of the present GI bill program, the vet can survive in school. If he has to plan it, he will not even think about it.

Senator CRANSTON. How is your program financed?

Mr. GARCIA. Our program is financed as a multifunded agency, with rapport from leading citizens, National League of Cities, U.S. Conference of Mayors, Veterans' Education Training Service, which supplied the seed money, and once we have the seed money, we got started. The local community action program supplemented and augmented this grant of an additional $60,000 for outreach workers. With that it was augmented with 12 full-time emergency employment positions by the city; and the Governor's office is supplying our one-stop service centers with employment services; and welfare office staff members, to do all job referrals, counseling, and the welfare grants and food commodity and food stamp processing.

Senator CRANSTON. What are the principal needs of the minority veterans in education?

Mr. GARCIA. I think basically many of the minority veterans coming back from the military services need refresher courses. They also need tutorial programs. They need special counseling programs that do establish a clear relationship. The basic question at hand is to gain trust. Once you gain trust from this individual then everything pretty much falls into place. He needs a better understanding in his own language, of his Federal entitlements as a veteran, and I think this booklet right here "Getting It All Together" put out by VETS is the first step as far as the Federal Government providing more adequate service.

Senator CRANSTON. When you first reach the average minority veteran, how aware is he of the opportunities?

Mr. GARCIA. He may be abstractly aware of them, but he doesn't think he can succeed. For example, he is totally unaware of the tutorial program, the 1691 program, in the Seattle metropolitan area, where the usage of the tutorial program is under 5 percent. In fact, only one community college out of the higher educational institutions which number 18 in the Seattle metropolitan area, has a tutorial program.

Senator CRANSTON. How many veterans in this area have less than a high school education?

Mr. GARCIA. The local community action program made a survey of the community, and in the early spring of 1970 it came out through the survey that approximately 5,500 to 6,000 veterans of the Seattle community lacked a high school education. Of course, when you're dealing with a number like this compared to the total system that the VA presently operates——

Senator Cranston. What is the VA doing right now in Seattle?

Mr. Garcia. They are not doing anything, sir. In fact, last year they indicated to us that they had taken a very big step in this area by hiring one black counselor. This is totally inadequate. The minority community in Seattle is not using VA.

Senator Cranston. Where is that located?

Mr. Garcia. It's located on the eighth floor of the Federal Building in Seattle, in the Seattle regional office.

Senator Cranston. Is that location handy for the minority veteran?

Mr. Garcia. No, it's not, sir. In fact, again it's a cost factor. Not only that, but basically transportation. If you have to go by bus to make the 3 miles across to the regional office, you're just not going there if you haven't got a quarter.

I think, even though a lot of the negatives have been mentioned about them. You named the regional office and the VA operations. I think the staff of the regional office, in fact, should try to learn from their counterparts in the VA hospitals. The VA hospital in Seattle has been very willing. Not only that, it has also used its staff and technical assistance to deal with the veterans who are in their hospitals and who are being discharged from their hospitals, who have no vocational or educational guidance. They've allowed us to go into their hospitals and counsel them.

Senator Cranston. Have you explored entering into a contract with the VA to provide these outreach services?

Mr. Garcia. Yes. we have.

Senator Cranston. What response do you get?

Mr. Garcia. Right now, a negative one, simply because they feel that we're duplicating their service. But, as the prior testimony will point out, in our 6½ months of operations, we've contacted over 2,300 Vietnam veterans. And 1,392 are on our active caseload at this present moment. Almost 45 precent of our intake is nonwhite, and 67 percent of our intake have a GED, high school education or less, and the VA in Seattle for the past year has said, "We don't keep statistics concerning minorities. We don't keep statistics concerning less than normal discharges. Yes, we're aware that there are some who have a high school education."

I think these statistics bring to bear that there is a need out there that has to be met. I think the contact service is the first stop into this. By contracting out counseling and other services to visible agencies within the communities, such as SEA-VAC, such as inner city agencies, agencies that have the credibility and the trust of the community.

Senator Cranston. How much of a relationship have you had with veterans' organizations?

Mr. Garcia. During the past year, it's come a long way. In fact, presently we work together in dealing with a number of issues at hand. Their background, their expertise, plus our community work, has ultimately led to more services being performed in the community, and that's being strengthened presently by my hiring on the staff the past American Legion legislative liaison for the Washington State veterans' organization.

Senator Cranston. I want to thank you very much for your very helpful testimony, for your responses to my questions as well as your excellent prepared statement. I congratulate you and all who are working with you on what you are accomplishing. I hope this will become a model for work elsewhere in the country, and I think we should pay a tribute to the Conference of Mayors and the League of Cities for what they've done.

It's a very innovative program, and I'm delighted to serve on the advisement committee.

Without objection, at this point in the record, I order the printing of Joe Garcia's prepared statement, the publication entitled "Getting It All Together," and resolutions from the Association of American Colleges.

We now stand in recess until 10 a.m. tomorrow in this room. Thank you for your presence.

(Whereupon, the subcommittee adjourned at 12:20 p.m., to reconvene at 10 a.m., on Friday, March 24, 1972.)

(The material referred to above follows:)

STATEMENT OF JOE GARCIA, DIRECTOR, SEATTLE VETERAN ACTION CENTER, SEATTLE, WASH.

Mr. Chairman and Members of the Committee, I am Joe Garcia, Director of Seattle Veterans Action Center (SEA-VAC).

Others before me have adequately addressed the multiplex individual human problems which returning veterans are facing today. Therefore, my remarks shall focus on the establishment and operations of Seattle's unique veterans program and what can be done to nationally duplicate this effort elsewhere.

Robert Frost wrote "there's something in a wall that makes you want to tear it down." The walls are many that stand as barriers to the movement of young returning Vietnam-era veterans, in particular, the disadvantaged and minority veterans, into the main channels of American civilian life. A strong cooperative effort on the part of government, local public agencies, the private business and industry sector, the Congress, the media, and other sources of power and influence, will be required to tear down such walls. If they do not lend themselves soon to dismantling, serious social problems will be created by the combined effects of civilian attitudes toward the war and its returning participants, and the veterans' simultaneous lack of access to important social resources and rewards. Because the veteran problem is immediate and has significant consequences if not resolved, an agency working to help veterans with the problems of coping with the system into which they have been re-absorbed but not yet assimilated is unusually obligated to speak out forcefully on the major issues. This is what we are here to do.

It is a privilege to present the positions which my agency has developed on the basis of working closely with young Vietnam-era veterans returning to a large metropolitan area. To give you perspective on these positions, I would like to briefly detail SEA-VAC's purposes and current functions.

SEA-VAC is a multi-service center for veterans which is attempting to provide in one place access to the majority of resources young Vietnam-era veterans are in need of to readjust successfully. It is sponsored jointly by the City of Seattle and the local Community Action Agency, and staff support through The Governor's Office. The services available to veterans involve access to education and training, jobs, supportive services, drug rehabilitation, legal aide for review of discharges, etc. Its basic staff is largely composed of young Vietnam-era veterans, many of whom are minorities. In addition, the Center has representatives from established agencies serving veterans, such as ES, VA, VA hospital, Department of Public Welfare, Legal Aid, EEA, etc. The agency has seen its functions as multiple:

1. direct services to local veterans,
2. development of part-time jobs as part of work-study arrangements for students,
3. outreach efforts to educational campuses to organize veterans organizations that will actively aid veterans and work with administrators on veteran's problems,
4. monitoring of veterans preference guidelines in established job and training programs,

5. development of special aids for disadvantaged veterans who are in particular need of personal contact and counseling, supportive services that will encourage self-confidence, and help in moving them faster into the mainstream of society,

6. efforts to channel jobs available for veterans through one-stop employment centers,

7. recommendations for improvements in services to veterans through national agencies and the Congress.

The model umbrella agencies of the VETS variety such as SEA-VAC are an important innovation for the veteran needing help. Being staffed largely by recent veterans, many of whom are minorities who have utilized or are utilizing their entitlements and experiencing the problems about which multi-service agencies are seeking solutions for other veterans, they are uniquely qualified. These umbrella agencies need to be multiplied throughout the country. Funding for such one-stop centers would be an important contribution of the Congress to resolving veterans' problems, and in particular the problems of minority and disadvantaged veterans who are reluctant to use the established agencies. To bring the representatives of established agencies into a more personal and realistic setting has important by-products: a significant learning experience for these agencies which will improve their own services to veterans. And it reduces the duplication of effort for the veteran, who normally must go to many different offices and often develops a fragmented and often frustrating picture of the services available to him. It should also increase the comprehensiveness of the information he can obtain on training and educational alternatives, and gather together in one place knowledge about all the resources currently available to him in his local area.

Multi-service centers such as SEA-VAC must serve in an information-dissemination capacity for veterans, to fill the vacuum created by inadequate information-collection and dissemination processes in the larger less flexible government agencies. Recruitment of veterans for utilization of their entitlement is only the first step. The veteran must be able to understand the alternatives for using that entitlement and make a reasoned choice among them. The disadvantaged veteran needs this service the most. The multi-service center is in a position to compile regional and local information on job training programs, apprenticeships, private vocational schools, junior college occupational career programs, preprofessional programs in universities and baccalaureate and graduate programs—classified by occupational clusters. They are in a position to collect information on the financial assistance resources for schooling, including work-study arrangements, part-time jobs, as well as loans, grants, etc. They are able to obtain regional and local labor market projections for clusters of occupational skills, indicating areas of shortage and surplus in the future. They can indicate sources of aptitude testing and educational counseling available in the local area. They should know what tutorial programs are available in junior colleges, colleges, and universities in the area. They will have a list of resources for resolving emergency needs such as food, housing, medical problems, transportation, child care, personal adjustment problems, etc. They must be aware of resources in the community for supportive services which will help make the disadvantaged veteran competitive with his peers in jobs and schooling, and knowledgeable about enrollment procedures, certification processes, and other ways to work within the system. These centers can serve as career planning centers as well as employment centers, drug rehabilitation centers, and legal aid centers. Funding for these purposes is critical. The following are some of the concerns we have, viewing veterans' problems in our area:

JOBS

Our experience in Seattle must be seen within the context of a state economy unusually dependent on the now declining aerospace industry. However, many of the statistics on unemployment, educational level, characteristics of the labor force, etc. in Seattle have been simply a slightly more severe case of the national condition.

One of the major job resources for veterans in this area is the State Employment Service which administers a myriad of government programs. Though the local ES has responded to veterans preference and disadvantaged and minority preference guidelines, it has been placing only about 3% of all its job applicants—vets and nonvets—in jobs lasting more than 3 months. Furthermore, only about 10% of the employers in Seattle list through the ES. Though federal agencies and companies contracting with the government are now required to list job openings with the ES (and with Civil Service), they fail miserably in doing so. Few veterans realize that some of the major sources of employment recommended to them at the discharge centers are in reality not performing their functions effectively.

The Employment Supplement Program, a temporary stop-gap from veteran's point of view, has proven to be a provider mainly of low-level skill jobs which lead nowhere. The EEA funding and NABS jobs have been most successful in providing marketable skills and continuing jobs. However, the NABS job orders are developed independently of the government, processed by ES, and funded by MDTA: they are sometimes buried in the maze of possibilities presented to the veteran which seem unintelligible to him and involve waiting for appointments, waiting to fill out forms, waiting to receive approval.

Many of the jobs theoretically open to the disadvantaged suddenly become operationally "closed" when the veteran makes contact with a hiring employer. The disadvantaged vet often discovers there are minimum job requirements which he does not possess, or tests to pass for entry, or a GED or high school diploma considered necessary for job performance. Employers tend to take the "cream" of the disadvantaged and government agencies tend to send employers the "cream" of CEP, PEP, and WIN applicants. The result is that the problems of the severely disadvantaged veteran remain unresolved even under those programs supposedly most responsive to his problems. Added to this dilemma are the 5% of veterans with less than honorable discharges who are accepted by almost no employers, and the much larger percent of "general" discharges who are only somewhat less frequently turned away by potential employers.

MANPOWER TRAINING

If the Seattle area is a good example of the national condition, there is a tremendous need for coordinating all existing manpower programs. The ES predicts that 30% of the King-Snohomish population 16 years and over will need manpower services sometime during 1973. This must come close to the situation in other urban areas in the United States. A better means of providing adequate funds for supportive services must be found if the disadvantaged—vets and nonvets—are to take advantage of these manpower educational and training opportunities. Curriculum for training projects must respond better to labor market realities and to the special needs of the groups being trained. Basic educational skill training must be a part of any training program for the disadvantaged. Programs need long enough funding commitments to have time for perfecting. One of the many lessons learned in the administration of the MDTA funds is the fact that the disadvantaged need intensive, wide-ranging supportive services—orientation to work, day care, transportation, skill training, job development, referral to jobs, assistance with medical and other problems.

Programs which on paper involve excellent work-study opportunities or training opportunities leading to careers—such as Operation Mainstream and New Careers—are essentially non-functioning programs in Seattle, as are JOBS '70 individual contracts for training. The JOBS Optional training program under the Department of Labor, which reportedly offers the best on-the-job training of any governmental program in this area, has not sent a single order through the veteran's ES representative in 6 months. There needs to be an evaluation of training programs and apprenticeship programs now in existence with respect to the marketability of the skills they produce, the numbers of successfully trained people coming out of the training, and the permanence of the jobs they found as a result of the training. This whole area of OJT and apprenticeship training and vocational school training for veterans is an educational area deserving a great deal of study. It is difficult for the veteran who wishes to use his entitlement for this kind of training to judge among the existing alternatives, many of which sound good but some of which prove to be dead ends through which the entitlement has been used up.

Another difficulty is that with any of the government funded programs for the disadvantaged, the employer must be willing to allow his books to be open. The smaller businesses do not find the monetary incentives sufficient to compensate for this intrusion and the extra paperwork involved. Those deciding the direction of apprenticeship and training programs have not always yielded to labor market projections for the area and therefore some programs literally have trained for obsolete skills. Also, many of the government training programs for the disadvantaged do not meet the requirements for VA approval, and therefore the disadvantaged veteran cannot use his GI Benefits to supplement the training salaries in many of these programs.

COUNSELING PROBLEMS

Most veterans do not have sufficient information supplied to them through the ES or VA to make assessment of which programs best fit their individual preferences, aptitudes, skill condition or which best provide marketable skills, or which allow them to use their GI Bill benefits, etc. As a result they have sometimes been guided by default into the wrong training programs which have used up their benefits in the process of learning skills that were too low-level or in occupational categories slated for decline.

Another problem with vocational education alternatives is that VA criteria for approval are quite weak. In Washington, for example, the VA tends to approve all state-approved facilities of vocational schools. In the case of the proprietary schools approval is forthcoming upon receipt of a $25 license fee. With public facilities, the annual evaluation is minimal, and a school is dropped only if strong complaints are lodged both to the state and the VA. The Office of Education's criteria for accreditation are stricter but the veteran is not informed of which schools are not accredited under this office. Much better information is needed and must be communicated.

30% of veterans using the GI Bill are in below-college-level programs. The regional VA office has one file of state-approved schools, private and public. There are no duplicate lists available for veterans interested in career planning or who request benefits counseling. Benefits sections appear to be limited to aptitude testing only. There is no pamphlet available for veterans on the projected labor market shortages for the immediate future or write-ups on vocational courses in various schools. Very little is known there about the advantages of vocational education in junior colleges as compared with vocational schools. Very little is known about high level vocational programs such as preprofessional programs in universities.

LEGISLATIVE VIEWS

We would like to express support for legislative recommendations of the following kind:

The type of provisions contained in the McGovern Bill S1918 on educational benefits, a proposed amendment to the Higher Education Act. We feel these provisions, which would reimburse the veteran for tuition and other fees up to $3000 for an ordinary school year, and substantially increase the monthly allowances paid to veterans pursuing education and training under the current GI Bill, will bring their benefits closer to the W.W. II GI Bill standards. It will make the most contribution where the disadvantaged and minority veteran is concerned, who has not made comparable use of his entitlement, largely on financial grounds.

Along these lines, we support the recommendations in S.2161 to increase the allowances for training and educational allowances. However, we feel the increases are insufficient compared to those recommended in the McGovern proposal.

The most significant variables in the much lower percent of minority and disadvantaged veterans' use of the GI Bill entitlement are: (a) the financial difficulties involved in taking the college route; (b) lack of transitional tutoring in basic college prep skills and the counseling that needs to be a part of college entrance for these veterans; (c) lack of good educational and occupational counseling prior to discharge and on the part of the VA after discharge; (d) lack of high quality vocational alternatives in private vocational schools and on-the-job training and apprenticeship; (e) weak recruitment efforts into apprenticeship programs, work-study programs, MDTA programs, Jobs '70 programs, Vets Readjustment Appointments, etc.

VETERANS NEED FOR HIGHER EDUCATION

The rate at which veterans are choosing higher education over other options is almost double the rate after WW–II. This is in line with the increasing skill requirements of the society. The fastest growing categories of jobs in the 70's are expected to be the professional, technical, and service categories. They will have increased by 50% in 1980. These have traditionally required the most formal schooling. By 1980 the Department of Labor predicts there will be as many professional and technical workers as blue collar operatives. In fact white collar workers will outnumber blue collar by more than 50%. Employment will shift rapidly toward white collar and service occupations. By 1975 only 5% of all jobs will be classified "unskilled". By 1974, 46% of American workers will have a high school diploma. By 1980 the number of women working will have doubled. In many cases, women will displace less well-educated men in the labor force. Other displacements are inevitable. The slight surplus of workers with baccalaureate degrees will tend to displace workers with less education even in many technical fields.

In the Department of Labor summarizations of labor trends it is quite clear that the shift is irrevocable from producing goods to producing services, from blue collar to white collar, from jobs requiring less education to jobs requiring more educational training. Of the blue collar workers, more will become craftsmen than operatives, and the need for specialized training will cover more jobs than ever before. Training needs will be in the direction of training that facilitates workers' adaptation to constantly changing labor market conditions.

Bureau of Labor projections for 1980 show an increase of 48% in the awarding of AB degrees, 95% with respect to MAs, and 117% with respect to PhDs. Approximately 10.5 million college-educated people will be added to the work force in the next decade, with a projected need for 10.4 million. Though this theoretically leaves a 0.1 million gap between supply and demand, the Bureau does not consider this supply and demand situation to be generally imbalanced. The facts are that the need for higher education is realistically reflected in the increasing entry requirements for occupations, and many jobs once performed by workers with less education will by 1980 be performed by college-educated workers. Competition for jobs in 1980 will involve some degree of displacement or less well-educated workers, and will clearly be at a higher educational requirement level.

This situation makes it critical that minority and disadvantaged white veterans be actively *recruited* to consider alternatives for using their entitlements and that entitlements be increased to make education in colleges and universities a realistic possibility. Minorities and the disadvantaged have often tended not to be encouraged to go the B.A. or B.S. route but into below college level vocational programs. In many cases they have been trained in skills which were marketable only for the white majority. Sometimes they have ended up in semi-skilled and unskilled jobs in industries which are now depressed. They have often not been given broad information on areas of employment or educational opportunities which would provide the best means for moving upward in the system.

This has been true in spite of the closing educational gap at the high school level between whites and Blacks in the general population. Black college graduates are currently gaining equal job income with white college graduates much faster than Blacks with high school diplomas are gaining on whites with high school diplomas. There are twice as many black college graduates in the labor force now as ten years ago. By 1980 twice as many Black college graduates as not will be in the labor force. Much of this picture has not been brought forcefully to the attention of minority veterans, which in part explains their lower use of the GI Bill.

Substantial increases in the GI Bill entitlements, combined with more actively recruiting for its use, would be an important contribution of the Congress. The millions of GI's who trained under the WW–II GI Bill increased their earning ability tremendously, the bill democratized higher education, and paid the federal government back many times over in income taxes, and contributed to the rapid technological progress which has revolutionized life in this country. As it did then, so can it do now, but at a more crucial period in our national life. We have the opportunity at this time to absorb into the main channels of society those who otherwise might remain untrained, disadvantaged, poor and disenchanted.

At the present time, vocational alternatives present problems for the veteran. The VA approves almost any of the schools and programs by the State approval agencies. In the State of Washington, for example, this means every proprietary school that bothers to pay its $25 license fee. There is little effort to evaluate these schools independently of the State approval agency, and the criteria for approval are often quite weak. Almost no effort to determine the placement success involved in programs or schools is made by the VA. It is well known that the U.S. Office of Education approves only a proportion of the schools the VA approves. The veteran is not given a copy of the approved schools in his region, nor any information on them except if he requests it, school by school.

The Federal Trade Commission, The Veterans Administration and the Office of Education should make an independent study of vocational schools and programs in terms of their quality of instruction, the marketability of their skill training, the fairness of their cost, etc. The veteran, especially if he is disadvantaged, desperately needs comprehensive information in readable form on all the possible training and educational opportunities open to him in his geographical area, as well as a description of all the possible financial resources available to him for implementing the choice he finally makes for using his entitlement. He also needs to have an opportunity for aptitude testing and for an evaluation of his previous employment experiences, talents, preferences. Rather than legislating funds for more VA benefits counselors, which has been recommended by some groups, it might be wiser to legislate funds for a careful study of entitlement-use alternatives, information which would make benefits counseling of value.

While 78% of veterans enrolled in college programs are in public institutions, 86% of vets in training below college level are in private schools. This makes it imperative to provide veterans with better information on the quality and offerings and placement results of proprietary vocational schools, which have extremely weak state criteria for accreditation.

It is revealing that 90% of vets in on-the-job training programs are receiving their training from the private sector; only 10% were employed in government activities—despite the increased funding for public service employment programs. The latter have not provided effective training solutions as yet and should be revaluated.

There is a beginning trend toward technical and vocational training, especially at the junior college level. Veterans need good information on which of these programs actually lead to skills that will be marketable in the near future. This kind of information could be collected if there was incentive to do so. Area manpower planning councils have regional information from which general trends could be inferred. Local personnel associations have good knowledge of what schools and programs in an area local employers prefer to hire from for certain kinds of skills. Associations of junior colleges have done regional market trend evaluations in order to assess occupational education programs, their quality, their degree of placement of graduates, and their responsiveness to labor market trends. Whether this function lies with the Department of Labor of the VA, the veteran needs more information and counseling on career choice where training and education is concerned. This would logically fit within the VA benefits counseling section but that section is not now functioning. Multiservice community centers such as SEA–VAC need funding for this kind of effort.

We would recommend that Title 38 be amended to remove some necessary inequities in the criteria used to determine satisfactory pursuance of course work in vocational programs versus baccalaureate programs, in particular with respect to absences allowed and the reporting procedures required for determining absences, A more flexible framework for obtaining VA clearance for vocational/technical training would make the benefits for this route more equal with those for the baccalaureate route. However, we would not advocate this flexibility with respect to on-the-job training or apprenticeship, which must adhere to more rigid clock hour and absence requirements in order to be successful programs. This would allow vets a wider choice of alternatives within the financial limits placed by the present ceilings on allowances.

LEGAL PROPOSALS

We are strongly in favor of all the recommendations included in bill S.2108 introduced by Senator Cranston with respect to the treatment and rehabilitation of members of the armed services who are drug abusers or drug dependent persons, and his suggestion that drug and alcohol use be reclassified within the category of "disabled", thereby entitling veterans to VA treatment and rehabilitation programs, and the GI Bill upon successful conclusion of a treatment program. We also favor his suggestion that veterans be given a choice of alternatives for treatment among expanded treatment possibilities, such as halfway houses and community-based programs as well as within VA treatment programs. At the present time, veterans with less than honorable discharges for drug abuse are not eligible for the very programs of treatment and rehabilitation which were designed to deal with the veteran's drug and alcoholic problem. The hypocrisy of this policy, and the seriousness of the drug problem, requires new approaches.

The legal review of discharges approach for the reinstatement of benefits is so lengthy and arduous that it is a nonproductive solution. Thousands of young veterans are without any hope of employment or schooling as a result. The social cost for the society will be enormous. A new concept must be developed which is more responsive to the unbelievable pressures than have been operative in the coping environment in Indochina for young veterans.

We would recommend re-evaluation of the entire discharge procedure. At the present time many administrative discharges are essentially punitive in effect, even though punitive discharges are to be given only within the court-martial category. The overwhelming majority of discharges are administrative, which means a minimum of legal protection for the veteran and disproportionate power in the hands of commanders. The "general" category within the honorable discharge deserves attention also as its stigma is real in terms of employment and entry into schooling, despite the fact that no benefits are lost.

It is clear from analyzing discharge data from the Defense Department and draft call data from Selective Service that drug abuse discharges with less than honorable rank rise in number during periods of low military need, and decline at periods of high military need. It is tempting to infer that commanders tend to use strict definitions of drug abuse and punitive discharge only during periods when the need for men is not critical, which suggest a very inconsistent standard which works great hardship on the individuals involved. This inconsistency applies also to the CO category.

The VA uses a relatively inflexible method of granting benefits vis-a-vis discharges. They have their own set of criteria for evaluating discharges. Some study of this process may yield helpful suggestions for legislative reform.

We are in favor of the amnesty legislation which has been recommended to the Congress. However, we would like to insist that amnesty legislation occur no sooner than legislation to redefine discharges, and that the legislative packaging of the two issues be done separately. If Congress must set a priority on these issues, we would recommend some plan for redefinition of discharges for those who have actually served in Indochina as the top priority item.

We would strongly recommend that funding for such a study of the discharge process be withdrawn from the defense budget rather than from other funds.

CONCLUSION

Because of the scarcity of jobs, many veterans will continue to opt either for unemployment compensation, which is temporary, or for education. Job scarcity has greatly reduced the number of productive training programs veterans can participate in. It is obvious that the majority of veterans will choose to use their entitlement for vocational schools, junior colleges, and colleges and universities. Thousands of veterans will thus be channeled into higher skill level programs which will be both productive for them and for a society moving rapidly toward the higher skill level jobs. But many of them will need extra help to go this route. It is the clear obligation of the Congress, representing the obligation of the people of this country, to provide more jobs in the economy in which veterans can become trained, and at the same time provide assistance to veterans in terms of other forms of schooling, money, counseling, supportive services.

The veteran generation did not make the decisions which involved us in Indochina, but they fought there for the generation who did make those decisions. The government is more heavily obligated to this veteran generation than any U.S. Government has previously been to its veterans, by virtue of the philosophical nature of the conflict and its strong economic and social domestic effects. No veteran population in this country has returned to a more negative public attitude or has found itself less privileged in the economy than this one. No veteran population has contained more minorities, many of whom bring with them to this difficult economic and social period in U.S. history all the many disadvantages in education and skills which characterized them prior to serving. It will not be nearly enough to extend to them the current entitlement and veterans preference guidelines. A much more comprehensive set of national tools and a much broader effort will be required to resolve the problems of veterans readjustment, if serious additional social problems are to be prevented.

The recent Harris survey commissioned by the VA shows that GI's from less educated white and minority backgrounds fail to obtain opportunities for jobs and education. Yet the GI Bill is the largest single educational program in U.S. for providing education and training to this group of veterans. Therefore, a massive effort must be made to involve these veterans in their entitlement through

1. Recruitment of veterans by the colleges and universities (through representatives placed in VA regional office, or in community multi-service centers serving veterans, through the support for veterans organizations on their own campuses and through their outreach efforts and publicity).
2. Better outreach efforts on the part of City multi-service centers for veterans
3. Providing a system of part-time jobs (split EEA jobs and split Federal jobs—for example, split jobs for veterans in the VA itself)
4. Using Talent Search, Upward Bound, and Special Services to the Disadvantaged programs of the U.S. Office of Education for veterans
5. Using the teacher training programs of the U.S. Office of Education for vets.
6. Using MDTA funds and GI Bill funds together for bridge and remedial courses
7. Using on-duty college-educated GI's to work in PREP programs on bases.

We are well aware that we are requesting additional expenditures at a time when Federal funds are severely limited, therefore we must evaluate the priorities honestly. We would have to conclude that the top priority group within the veteran population is that of the young minority and disadvantaged veterans—male and female—of the Indochina theatre. And their greatest needs are for good jobs, high quality training and education, increased GI Bill educational assistance, career counseling, tutorial programs, bridge courses, part-time job resources, and supportive services. The least educated young people have been the most likely to enter the armed forces, to go into combat, and to have the most difficulty on return in finding jobs, training, and education—these are the veterans who are precisely the group that are not taking maximum advantage of their current entitlement, largely because that entitlement and its consequences for their lives has not been well enough publicized in ways that could be clearly understood, and that entitlement has not been sufficient monetarily for these veterans to see its use as a realistic possibility for them in terms of higher education or high skill level occupational training.

As the next priority, these services should be made available to disadvantaged white and minority veterans of other periods and other theaters of operation. And as a third priority, these services should be made available for non-disadvantaged, non-minority veterans of the Indochina Theater. And finally for the non-disadvantaged, non-minority veterans of other periods and theaters. In each case, the services should be for men and women veterans equally, as well as the spouses, widows, widowers of veterans disabled, missing or deceased.

Across the board reforms for the total veteran population are the ultimate goal which we support, but if this is not realistically possible then this is the hierarchy of priorities we would see as the most equitable series of steps to take based on the following criteria:

degree of educational need
degree of financial need
degree of basic skills and knowledge of the system possessed prior to service
degree of occupational experience prior to service
extent of the sacrifice serving in Armed Forces meant in terms of employment and schooling
degree of readjustment difficulties
degree to which would be benefitted by training or education
degree to which training and education would reduce the group's contribution to major social problems in U.S.
degree of social integration into American society prior to service

Statistics—Through March 17, 1972

	Total
Estimated total contacts	2,300
Total contact sheets (active caseload)	1,392
Intake since January 1	845
New clients since January 1	650
Educational placements:	
(Estimated)	241
(Documented)	96
Supportive service referrals	634
Job referrals	599
Job placements (estimated)	283

CLIENT CHARACTERISTICS

	Percent
1. Ethnic group (44.9 percent nonwhite):	
Black	33.9
White	55.1
Oriental	3.3
Indian	4.0
Mexican American	2.5
Other	1.2
2. Type of discharge:	
(*a*) Honorable	92.5
(*b*) Less than honorable	7.5
3. Highest grade completed (66.9 percent GED, high school education or less):	
Less than 8th grade	1.3
Less than 12th grade	16.7
12th grade	44.0
G.E.D	4.9
1–3 years college	27.7
College degree	3.6
Post-graduate	1.2

AGE DISTRIBUTION

	Percent
1. Vietnam era veterans:	
(*a*) Under 21	8.2
(*b*) 22 to 25	42.3
(*c*) 26 to 34	28.1
(*d*) Over 25	2.4
2. Pre-Vietnam era veterans:	
(*a*) Under 25	-----
(*b*) 25 to 34	4.4
(*c*) 35 to 44	8.7
(*d*) Over 45	5.9

SEAVAC COUNSELING (DOES NOT INCLUDE JOB COUNSELING) [1]

	Percent
Education	32.2
Vocational	10.0
Housing	8.1
Medical	10.1
Dental	10.8
Food	13.3
Legal	9.4
Drug	1.3

[1] 42.2% Education or Voc. counseling.

getting it all together

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1612 K STREET, N.W., WASHINGTON, D. C.
NOVEMBER 1971

hey, what's happening

My name is Bob.

Just like you I did some time in the service. I was in Nam—and the less said about *that,* the better.

If you're like me, you've found out that they don't give parades or medals to dudes who come back from *this* war.

They couldn't care less, man.

So I watched a lot of TV, went to a ton of movies . . . and hung out with the guys.

When I tried to get a job, a lot of people treated me like I was a dope addict or a criminal or something.

Man, did I get turned off!

Then I met this dude.

. . . and he says, "G.I.?"

I say, "Yeah."

Then he says, "How's it going?"

I say, "Get lost!"

Then he says, "Well I'm an ex-G.I. too—but I got over feeling sorry for myself and decided that the only way to make it back home is the way I did it in Nam—keep moving, have a walking partner, use whatever they give you, and have more smarts than the other guy."

So then this dude lays a check on me that he just got that has U.S. TREASURY written on it. It's for 243 bucks and he says he can cash it anywhere.

He gets one every month.

He's got a wife and two kids and he's going to college—studying sociology or something like that. And he's got two jobs part-time—he works for the city health department part-time and he cops some extra change by getting ex-G.I.'s like me to enroll under the new G.I.

Bill and learn something.

Then he tells me how to get my thing together . . . *all* together . . . with special loans, government programs—stuff I never even heard of. I can tell you how it works.

But of course if you want to keep on being hassled, don't turn the page.

Throw this book away . . . but throw it in the direction of another ex-G.I. who maybe doesn't want to watch a lot of dumb daytime TV.

like it is

Congress can be O.K. They rap a lot, of course . . . but they also pass laws. They passed one recently that jazzed up the old G.I. Bill so Viet Vets can get cash to go to school.

But you've gotta follow some rules and go through a little red tape before they send you the cash—otherwise some sharpy would probably steal it all and there wouldn't be any left for us Vets who need it.

I'll make it easy for you . . . so you won't have to do all the stuff I did. I went trooping around to V.A. offices, and schools, and bureaucrats, and collecting pamphlets, and regulations, and filled out forms, and called guys, and sent away for stuff, and stood in line 'til I thought I was back in the Army.

You don't have to do all that, because any cat smart enough to get *me* to help him can probably get other dudes to do some of the legwork for him. And one of them is listed on the back cover of this book. Call him . . . go see him. He's done it all and knows how to help.

O.K. Ready on the firing line . . . and if you can't hit the target with all this ammunition, you've had too much R and R.

here's how

The first thing to realize is that you are not alone. About a million G.I.'s a year are getting out of the service, and a big chunk of them are going to be in bad shape—no job, not enough education, no one anxious to help, and all the rest.

The main thing is that there are dudes just like you, with all the doubts, all the questions, and all the same feelings . . . who have done it . . . who were turned off . . . but who decided to go to school, or back to school. These are guys who are in college now, studying things that will place them in jobs with salaries that are a lot higher than what an E-3 is into.

But education isn't cheap. Uncle Sam will help, through the new G.I. Bill. But even *that* money won't do it all. Even if you get the top benefit by going to school or college full-time, you'll still need extra bread. And you get that with a part-time job.

Also, there are all kinds of scholarships (free money) and non-interest loans that may be available—from both Government and private sources. These vary from place to place—but more about these later.

First things first—like a high school diploma.

step 1

A HIGH SCHOOL DIPLOMA

If you already have a high school diploma or have passed the G.E.D. test, skip this and go to Step 2. If not . . . read on, man.

If you dropped out of high school after two or three years, you can probably pass a test called the G.E.D. (for General Education Development). The G.E.D. diploma is just the same as having graduated from high school—no one treats you any differently.

Contact your local school board—they give the test or can tell you who does. Ask the school board about test dates, where the test is given, what it costs, and when you'll know the results. Get an application from them. You can also get into some counseling to find out if you need to do any preparation studies before the test. If you do, the G.I. Bill will pay for it without charging it against what will be coming to you for college or higher education.

It's a good idea to take these prep courses, because the score you get on the G.E.D. is important. If you just barely pass it, some colleges may hold it against you. In any event, find out what your chances are of getting a decent score.

The G.E.D. test is actually a series of five tests based on various reading materials. The test subjects are:

- English Grammar
- Social Studies—History, Economics, etc.
- Physical Sciences—Chemistry, Biology, Physics, etc.
- Literature
- Math

The tests are of the multiple-choice type (usually four or five choices) and take about an hour and a half each, longer if you need it.

The test is a general one, aimed at finding out your level of reading and understanding ability. It doesn't get into a lot of picky questions like "Who wrote Moby Dick?" or "Who was Ulysses Grant's Vice-President?" There are several paperback books on the market which can help you prepare for the test. Check out your local library.

Prepare to shoot a full day taking the tests. Some areas may let you stretch it out over 2 days. The cost varies, but it is usually in the $5 to $10 range.

There are age and residency requirements, so be sure to check. Generally, you can take the test if your high school class graduated the previous year.

For you Spanish-speaking Vets, there is also a Spanish edition of the G.E.D. test—much like the regular version except it has a sixth test designed to rate your level of English. Usually, only the first five tests count as part of your score.

For more information on special G.E.D. tests, write the Director, Commission on Accreditation, American Council on Education, One Dupont Circle, Washington, D. C. 20036.

If you only had one year or so of high school, passing the G.E.D. test may be rough. You might find that it is better to go back to high school and finish. Here again, the G.I. Bill will pay you while you're in school and it won't affect what you can get under the G.I. Bill when you go on to college or other higher education.

But *ask* someone who has done this.

If you took the G.E.D. test while you were in the service and don't have your scores, you can get them by writing to:

Director, U.S. Armed Forces Institute
Madison, Wisconsin 53713

Give them your name, rank, serial number and when and where you took the test (if you remember). They will mail your scores to whatever school or college wants them and will send you a copy. Most schools will not accept hand-carried scores, so the mail deal is best. There is no charge for this.

Now suppose you take the test and don't pass, or fail part of it. No big thing. You can take it again or take that part which you failed. If you didn't do particularly well, it's a good idea to take special prep courses before you take the test again. Requirements on this vary from place to place.

O.K., now suppose you have a high school diploma or have passed the G.E.D. test and you would like to get credit for stuff you have learned since then (like courses in the service or other education you might have absorbed either formally or informally) . . .

There is a special test for you. If you do well on this test you can get credit for up to 30 semester hours, or the entire freshman year of college. In exceptional cases it is possible to receive up to 60 hours credit. This may vary from college to college, so it's best to check.

The test is called the College Level Examination Program or CLEP. It, too, is a battery of five tests covering:

- English Composition
- the Humanities
- Math
- Natural Sciences
- Social Sciences—History

Tests are of the multiple-choice type.

The fee for the CLEP tests is $15 and the tests are given at 60 test centers across the country. Check a local college to find out where and when the tests are given near you.

Next step is deciding which way to go.

step 2

DECIDING

You probably have a good idea of the kinds of jobs that require a high school education. Try comparing these jobs and their salaries to jobs and salaries which can be had with a college education—or technical education of a more specialized nature. The difference is not only thousands of dollars more that could be earned every year, but it is the chance for advancement to even better jobs.

Don't let anyone tell you that a junior college or a vocational or technical school is no good. In many cases, these institutions may be right up your alley—in terms of costs, convenience and time. The public ones are good, and they are the cheapest (tuition between $100 and $500 per year)—and they offer a wide range of technical courses geared to a job schedule.

If you're thinking of aiming at such careers or jobs as lab technician, accounting, auto mechanic, medical assistant, drafting or any of the skilled trades, a technical school or junior college may be right on the button. Check the current hourly rates and salaries of these jobs and you'll see what I mean. Most are set up to handle the part-time or night student, and you will emerge with a ready skill that is in demand. And if you go to a two-year college and then decide you want to transfer to a four-year college—no sweat. Can do . . . if you take the right courses.

O.K., now think up all the reasons for not going to college—go ahead, I've heard them all, but you may come up with a new one—

- I couldn't get in with a sledgehammer
- I can't afford it
- It's too long and too hard

- I don't know what I want to do
- I need a job and money *now*
- It's not meant for guys like me
- It's too much of a hassle

The only one that's even remotely true is the last one. It *is* a hassle—but it's a lot less of a hassle than working as a stock clerk 'til you go on Social Security . . . and having your kids start off the way you did—get drafted, kicked around, get a grubby job, want stuff they can't afford and all the rest.

No good, man. College leads to a better way . . . and a better life . . . and a wife who'll be happier . . . and kids with a better chance. It all depends on you and the decision you make *now*.

But, don't take *my* word . . . Rap with other Vets who've done it and are doing it.

There are all kinds of colleges and other schools in the post-high school category. And there are probably at least five or ten of each within easy reach of where you live.

Uncle Sam (and everyone who pays taxes) has spent billions building colleges and schools all over the place and there's any number that are—

- just right for you
- anxious to have you
- offering the courses you need
- offering some form of financial aid
- ready to help you find a part-time job

All this, of course, takes some looking into, but if you rap first with guys who have done it you'll save on phone calls and shoe leather.

If you don't know exactly what you want, seek some help in finding out what technical specialties are most in demand in your area. As a Vet, you are entitled to

V.A. career counseling—however, there may be a wait for this at your local V.A. office. You can also check with placement offices in schools and employment services for help. This won't cost you anything and it will help you decide. A daily check of help-wanted ads in your local paper should guide you as to who wants what the most.

There are several special Federally-funded programs which provide training in selected fields. Two of these are the LEEP (for Law Enforcement Education Program) program and MEDIHC (for Military Experience Directed Into Health Careers). The LEEP program offers grants of up to $300 per semester and loans of up to $1800 per academic year—but to be eligible you must first be an employee of a police department, court or correction agency. Check this out with your state law enforcement agency or local college.

The MEDIHC program is basically for those who had a health-related MOS in the service and want to pursue a health career in civilian life. The program varies from state to state, but if you were a corpsman or medic in the service you should investigate this with your state health department.

Now to figure the costs.

step 3

FIGURING THE COSTS

As I said before, man, going to college isn't cheap. Even though the G.I. Bill and other sources will help, you're going to have to watch and plan for every penny. Otherwise you won't make it.

Learn to look for every conceivable cost and plan on the high side. Also, remember that money has a way of being delayed coming in . . . Also that it has a way of being demanded in a hurry by guys you owe it to. Timing is crucial.

Costs are obviously going to vary from place to place and from school to school. But you should make your decisions with an eye to what the costs *will be*. For instance, if you pick a school a long way off, check bus or transit costs round trip. Also, if you have a car, make sure there is plenty of free parking—and make sure you won't have to be putting a lot of dough into your car to keep it running.

Public schools, community colleges, technical schools, and state universities and land-grant colleges are the cheapest. Head for them. A typical state university may cost about $20 a course hour per semester, or $240 for the full-time 12-hour schedule. Also, figure on between $50 and $75 for books and materials.

Remember that you will have to pay all these costs. As you'll see in the next chapter, the G.I. Bill will help, but it pays you a flat sum each month—out of which you'll have to meet all your expenses. So watch out for schools and courses that advertise "covered by or approved for the G.I. Bill." That doesn't mean that the G.I. Bill will automatically cover their tuition.

Another thing—some schools have application fees, so don't waste money applying to a lot of schools. Do some advance work to find out which ones are right for you and which ones are likely to accept you.

Now add in the registration fee and any other special costs like lab fees. Figure your own personal costs for meals and housing, etc., and add in any transportation costs.

When you get a total figure on what it is going to cost you per semester, you can start to plan on where it's going to come from.

That's called shaking the money tree.

step 4

SHAKING THE MONEY TREE

Assuming you now know about what it is going to cost you to go to school or college, the big question is "How do the bills get paid?"

As a returning G.I., you are eligible for a number of goodies you will need to take advantage of—especially if you decide on getting more education. However, government programs tend to be a little complicated, so you'll have to do some asking and reading and running around. We're still a long way off from the day when they pass out dollar bills on street corners.

1. G.I. BILL BENEFITS

First, the G.I. Bill. Assuming you're going to go on to college full-time, you will be eligible for benefits (usually 12 class hours a week).

First, though, you are going to have to fit the following mold:

(1) Did you serve at least 181 days on active duty? Good.

(2) Were you released under conditions other than dishonorable? No sweat.

(3) Did you get out after January 31, 1955? Right on.

Now, if you've met the three requirements above, what do you get? Well, the money benefits are basically there to help you make it through college. Whichever of the monthly payments below you qualify for can come to you for up to 36 months (if you served 18 months on active duty). In other words, they figure a nine-month school year, and, with four years of college being the deal, that's 36 months (I did well in math). If you served less than 18 months, benefits work out differently, so check this out. The V.A. can help you with all the details.

But there's another important goodie. You can get the *same* amount of money per month if you have to go back and finish high school or if you need some special preparation courses to get into college—and it won't be subtracted from the full amount you'll get for the 36 months in college.

HERE'S HOW THE MONEY TREE SHAKES OUT:

You're Single **so you get**	You're Married **so you get**	You're Married and have 1 kid **so you get**	You're Married and have 2 kids **so you get**	For each additional kid **you get**
$175/month	$205/month	$230/month	$243/month	$13
For the full 36 months full-time:				
$6300	$7380	$8280	$8748	$468

O.K., suppose you have or can get a good full-time job and you want to go to college half-time or three-quarter-time. You get paid amounts reduced accordingly (see below), but they'll still pay you for as long as it takes you to finish college (unless, of course, you spend three years as a freshman or something like that).

HERE'S HOW THE PART-TIME DEAL WORKS:

You're Single **so you get**	You're Married **so you get**	You're Married and have 1 kid **so you get**	You're Married and have 2 kids **so you get**	For each additional kid **you get**
For Half-Time in College (6 Hours a Week)				
$81/month	$100/month	$114/month	$121/month	$7/month
For Three-Quarter-Time in College (9 Hours a Week)				
$128/month	$152/month	$177/month	$187/month	$10/month

Now, as they say on the cereal boxtops, this offer isn't good forever. It lasts only eight years after the date you get out (or if you got out before 1966, it lasts until June 1, 1974). So don't spend six weeks making up your mind. And for gosh sakes, don't spend two years filling out all the forms and doing the run-around. Vets in your area can help you do all this and save you a lot of time and grief. Call one of them now! His name, number and address is on the back cover of this book.

One other thing to note: Suppose the college says you need special tutoring while you're enrolled—you know, to make it through on time. Well you can get up to $50 a month extra (for a maximum of nine months) to pay for it. You may not need this, but it's nice to know about it.

Remember that G.I. Bill benefits are tax free—so are some of the other benefits listed below.

2. OTHER SCHOLARSHIPS AND LOANS

You must realize that the G.I. Bill will only pay you a specified amount, and out of that *you* must pay your school or college tuition and fees. The G.I. Bill doesn't pay these *for* you. However, there are many scholarships (free money) available from both state and local public agencies and colleges as well as private sources. The American Legion has put out a handy-dandy list of all these in a booklet called "Need a Lift?" It's updated every year, and it's filled with tips and good ideas on how to make ends meet and how to take advantage of programs set up just to help you. Get a copy from your local American Legion Post or write: The American Legion Educational and Scholarship Program, Americanism Division, Indianapolis, Indiana 46206.

Finally, there's one major problem with the G.I. Bill. After you apply for benefits and are enrolled in college, it could take a month or two (or more) for that first check to reach you. Some areas have funds to loan

Vets, at no interest, amounts up to the monthly G.I. Bill benefits until that first check comes in. Check this out. Also, many states and schools have loans available for Vets to do the same thing.

3. THE GUARANTEED STUDENT LOAN PROGRAM

Speaking of loans, there's one particular government goodie you should check out. It's called the "Guaranteed Student Loan Program," and it lets local banks and some credit unions, colleges and even insurance companies loan students up to $1500 a year for college and personal expenses.

Now it may take some digging to find a bank that will make one of these loans, but it's worth it. Here's the deal:

If you live alone or even if you live with your family and your total adjusted yearly income is less than $15,000, you are eligible. While you are in school or college (at least half-time) you can borrow up to $1500 a year. You don't have to pay it back until the year after you finish or graduate. They don't charge any interest until a year after you stop being a student (then it's only 7% applied to the declining balance). You have 10 years to pay it back (four payments each year).

Check the banks in your area to see about this, or ask at the school or college you want to go to. If your state has a higher education agency (most have), ask them. If one bank says no, don't give up—try another . . . keep going until you get a good answer. Better yet, ask a Vet who has played this game.

4. UNEMPLOYMENT COMPENSATION

First, you *can* receive unemployment compensation. Now this obviously varies from state to state, but generally the deal is this: for unemployment benefit purposes, getting out of the service is the same as being laid off from work.

However, you must be "available for full-time work" to receive benefits. This means that in applying for school, you would be thinking about taking courses at night or on weekends. Merely seeking part-time work probably isn't good enough for most state employment offices. But check anyway.

See the veteran coordinator in your local state employment office and ask him. Actual benefits vary, but generally you can probably get about half of your monthly service pay (which is figured by adding in an amount for fringe benefits—medical, etc.).

5. FOOD STAMPS

Second, you may wish to check into whether you can get food stamps. Understand that you do *not* have to be on welfare to receive food stamps. The key is to fit their income limits. It works this way:

If your total income falls below certain limits (according to the number of people in your household) then you may be eligible.

For example, if your income is $170 a month (assuming you are single and live alone . . . a one-person household) then you can pay in $26 and receive $32 worth of food stamps a month. This is scaled according to income, so that if your monthly income is $100 you would pay only $18 for $32 worth of food stamps. If your monthly income is $55 you would pay $8 for $32 worth of food stamps. Monthly income below $20 means free food stamps ($32 worth).

For a four-person household the income limit is $360 a month—that means you would pay $99 for $108 worth of food stamps per month. If the income for that four-person household was only $110 a month, then $25 would be paid for the $108 worth of food stamps. Monthly income below $30 means free food stamps ($108 worth).

All this varies according to the size of the household and the amount of monthly income. The important point for veterans is that G.I. Bill money spent for tuition costs, books and other school and college fees *does not* count as income.

Check your local welfare office to see how to work this out. Don't miss an opportunity for anything free—or even at a discount! The welfare office can review your application and get you a card with which you can buy the food stamps—often in only a few days.

6. SOCIAL SECURITY STUDENT BENEFITS

There is a special deal under the Social Security Act that could add a lot of cash to you as a student. Under the so-called "student benefits" you can get as much as $210 a month if you qualify. Here's the deal:

(a) You must be a full-time student (usually 12 hours a week), unmarried and below age 22; also,

(b) One of your parents must be covered by Social Security and must be either retired or disabled (as defined by the Social Security Administration) or deceased.

O.K., now what cash can you get? If your parents are retired or disabled, you get one-half of what they are eligible for. That means in addition to what they are getting—your benefit doesn't get subtracted from theirs. This could mean between $35 and $140 a month for you depending on your parent's salary level, the period of time he or she was covered by Social Security and on the size of the family. If your parent who was covered by Social Security is no longer living, then you can get three-quarters of the benefits he or she would be eligible for. This could mean between $45 and $210 a month for you. Any G.I. Bill benefits would not affect this.

You do *not* have to be either living with your parents or receiving support from them.

There *is* an income limitation—if your annual income (*not* your family's) is over $1,680, your benefits will be less. But there is one important thing to note—if you are eligible and have been a full-time student prior to the time you apply, you can receive retroactive benefits (up to one year). In other words, if you have been a full-time student for eight months and are eligible for, say, $100 a month Social Security benefits, you would get a check for $800 plus the continuing $100 a month as long as you are a full-time student (or up to age 22).

Check all this out at your local Social Security office. It may sound a little complicated, but it could mean a lot of cash.

Now, chances are even after you get your G.I. Bill or other benefits, or any loans you need (the non-interest kind are the only ones to consider—AVOID HIGH-INTEREST LOANS IF YOU CAN), or get any scholarships you can . . . you'll *still* need extra cash.

step 5

THE PART-TIME JOB

Unless you have a winning sweepstakes ticket, a rich uncle or a sure-fire betting system, you are going to need more cash than the G.I. Bill will give you—assuming you're making the smart decision to go to college.

The best way of getting the dough you need is by getting one or more part-time jobs. This isn't easy—particularly if the job market is tight in your area. But there are some things you should know.

First, many employers will give preference to ex-G.I.'s for jobs. Your local Veterans Administration office may be able to tell you about such companies. There may be a Jobs for Veterans office in your area, and this is their bag. Ask and check. Also, visit your local State Employment Service office and talk to the Veterans Employment Representative. The National Alliance for Businessmen is also undertaking a special Jobs for Veterans drive.

Second, under the new Emergency Employment Act, the new public service jobs can be split—one job given to two Vets so they can go to school or college full-time as well. Also, in many areas employers other than state and local governments are picking up this idea. Check with the office listed on the back of this pamphlet.

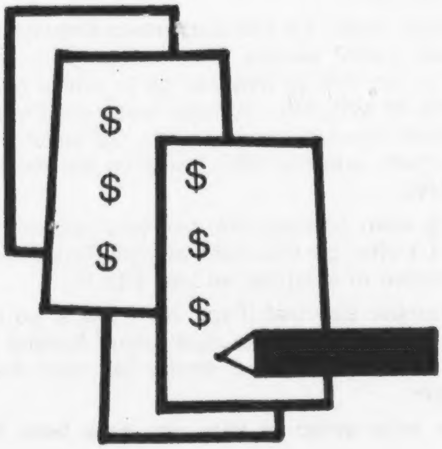
Third, many colleges offer part-time jobs to students, and G.I.'s often get first crack at them. This could affect your choice of a school, so look into it.

Remember also that if you left a job to go into the the service, you have the right (under Federal law) to get it back—or to get a similar job from the same employer.

Your local group of Vets who have been through all this is the best source of information. They have tramped around to different companies and job sources —they know who to see, who will give a break to Vets, who is a waste of time, who pays the most and who offers a training program leading to a more skilled job.

Talk to these Vets and let them give you tips on how to get a good part-time job. They can also tell you how to go about getting help from the various government agencies—the Veterans Administration, the State Employment Service, etc. They know who to see and what they can offer. In short, they can save you a lot of time and grief.

Now, the paperwork.



step 6

PAPERWORK

Having been in the Armed Services you know that nothing moves without paper. It's no different in civilian life. Don't fight it.

First off, go collect all the documents you need and go use one of Mr. Xerox's wonderful machines. There are lots of shops around where they'll make copies of anything (except dollar bills) for about 5¢ a page.

Make at least five copies of the following:

1. DD Form 214—your separation papers
2. Your marriage certificate or license
3. Birth certificate of any and all children
4. Your high school diploma or G.E.D. equivalent

Another thing that's good to have, if *you* think it will help, is a brief list of any job experience or training you have had. Include the date you had the job and the name of your supervisor (if he was a good guy and thought *you* were).

Now that's just the beginning. There will be a pile of forms before you're through—BUT the main thing is that there is help available for this. Your local group of veterans who have slogged through all of this are ready to help you fill out the forms you need. They can also help you get them processed and tell you how long you'll have to wait, etc.

They can also tell you what sort of stuff these different forms will want . . . what you should be prepared to provide, what you can gloss over, how to disguise something you don't want to play up, what's important and what isn't. Be sure and get the lowdown on all this before you go fill out the wrong form, send it to the wrong guy, or go through a lot of Mickey Mouse that isn't necessary.

There will be a form to apply for G.I. Bill benefits;

a form to apply for the G.E.D. or CLEP test; forms to apply for school and college admissions; forms to apply for scholarships and loans; forms to apply for jobs . . . and all the rest.

It's a pain, no doubt about it. But, like everything, there's an easy way and that is to get help from someone who has filled them all out before. So don't be put off by all the paper . . . it can be a ticket to success for you.

Now to check what you've got.

step 7

THE CHECKLIST

O.K., now you know the deal. Run down this checklist and make sure you cover all points. This is so you'll know exactly what questions to ask when you see the local vets in your area who are set up to help you.

☐ Copies of needed papers—DD 214, marriage license, children's birth certificates, high school diploma, etc.

☐ The G.E.D. test if you are a high school dropout; preparation courses if needed.

☐ The CLEP test if you want credit for any post-high school training or education you may have had.

☐ G.I. Bill benefits.

☐ Unemployment compensation, Social Security benefits, food stamps, or other government aid.

☐ School and colleges in your area. Courses of study and veteran application procedures.

☐ Scholarships and/or any non-interest loans available.

☐ Your budget—all the costs of living while you go to school or college.

☐ Part-time jobs. Public Service jobs. Companies giving preferential treatment to veterans.

☐ Government agencies that can help—Veterans Administration, Employment Service, City Hall, Board of Education.

☐ Forms and applications—for all the goodies and deals mentioned.

One final word: Timing is very important. Find out when college applications must be made; when the tests you need are given; how long applications take to be approved; when you will be able to receive benefits; when loans must be paid off; how long your eligibility for various benefits will continue (see chart on next page); and all the rest.

You must plan all these things carefully. But don't do it alone, and above all don't do it without knowing all the details and ins and outs. You can avoid the delays and mistakes that others make by simply getting help from G.I.'s who have put it all together and are doing what you want to do.

Above all, don't decide to do nothing—just because it looks or sounds complicated. Don't be afraid to ask questions.

Call the dude whose name and number is on the back cover. He is a guy just like you and wants to help.

I know. I'm one of them.

Good luck and right on.

P.S.—Some of the programs and benefits mentioned will change from time to time and will vary from place to place—it pays to check these things out with the office listed on the back of this pamphlet.

VETERANS' BENEFITS TIMETABLE

10 days	To advise Selective Service of address.
30 days	To register with Selective Service, if not registered prior to entry on active duty.
90 days	To apply to former employer for reemployment.
120 days	To retain insurance protection without examination by converting Servicemen's Group Life Insurance to an individual policy.
1 year	From date of latest VA decision granting service connection to obtain G.I. Life Insurance because of service-connected disability.
1 year	To file for VA dental treatment. No time limit for trauma- or combat-caused conditions or for former prisoners of war.
1 year	To receive unemployment compensation.
3 years	To apply for correction of military records to correct an error or injustice.
8 years	To complete G.I. Bill education. Course must be started in time to finish in eight years.
9 years	To complete Vocational Rehabilitation, except certain cases of serious disability or delay in establishing eligibility.
15 years	To apply for review of character of discharge.
No Limit	To obtain G.I. Loan.
No Limit	To file compensation claim for injury or disease.
No Limit	To file pension claim, non-service connected.
No Limit	To file for Federal Civil Service Veterans Preference.
No Limit	To obtain VA hospital care.
No Limit	To obtain special assistance in finding employment or job training program.
No Limit	To convert Term Insurance.
No Limit	To apply for Exemplary Rehabilitation Certificate—but applicant must demonstrate a good record for at least three consecutive years from any date after release from active duty.

VETERANS EDUCATION AND

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MR. JAMES S. WHITFIELD, Executive Director, The American Legion

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MR. ROBERT D. FORD, State Selective Service Director, Pa.

MR. CARL HORTON, Wharton Graduate School of Business, University of Pennsylvania, Pa.

MR. PATRICK M. McLAUGHLIN, Ohio University, Athens, Ohio

MR. RONALD PARKER, Mellon Bank, Pittsburgh, Pa.

MR. MICHAEL PATTON, President, National Association of Collegiate Veterans, Inc.

MR. ROBERT PENN, Model Cities Agency, Buffalo, N.Y.

MR. DEAN PETERSON, Armed Forces Counselor, Staten Island Community College

MR. ROBERT W. SPANOGLE, Michigan State University, and Past President, National Association of Collegiate Veterans, Inc.

MR. MORRIS WASHINGTON, Xavier University

MR. BARRY WRIGHT, Chairman, Concerned Veterans from Vietnam

The Veterans Education and Training Service (VETS) is a project of the National League of Cities and the U.S. Conference of Mayors. Largely financed by a grant from the Office of Economic Opportunity, the project now has operating programs under local sponsorship in Chicago, Cleveland, Denver, Detroit, The District of Columbia, Indianapolis, Los Angeles, Miami, Seattle, and Wichita. Additional cities are currently organizing local programs. Robert Hill is Project Director and Stuart Feldman is the over Project Coordinator working with the National Veterans Education and Training Action Committee.

Association of American Colleges,
Washington, D.C., February 8, 1972.

Hon. Vance Hartke,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

Dear Senator Hartke: Our 58th Annual Meeting, held January 9–11, 1972, here at the Shoreham Hotel, approved a resolution which we wish to bring to your attention as chairman of the appropriate committee of Congress. It reads as follows:

"Whereas previous G.I. bills, by entitling a qualified veteran to reimbursement, within certain limits, of tuition charges and institutional fees as well as providing him with a subsistence allowance, encouraged the veteran to seek enrollment in whatever institution he judged to be best suited to his educational aims; and

Whereas existing law, by providing the veteran with a single allowance from which to meet his educational expenses, offers him an inducement to choose a college or university on ground of relative cost to the individual rather than educational benefit;

Be it resolved, That the Association of American Colleges urge the President and Congress of the United States to enact legislation that would, to the greatest practicable extent, minimize financial constraints on the returning veteran's choice of an educational institution."

We appreciate greatly the interest of you, your committee and the Congress in education and training benefits for the returning veteran.

Sincerely,

Howard E. Holcomb,
Executive Associate for Federal Relations.

○

ERIC Clearinghouse
JUN 4 1973
on Adult Education